FBIS DAILY REPORT

CONTENTS

Latin America

Vol VI No 164 *23 August 1985*

INTER-AMERICAN AFFAIRS

Council Calls for Restructuring of Andean Pact [La Paz Cadena Panamericana] A 1
Briefs: Andean Chambers of Commerce A 1

BOLIVIA

Communique Issued on Country's Financial Status C 1
ADN Leader Calls New Presidency 'Spurious' C 1
PCB, MIR Deputies Trade Charges in Congress C 2
FRG Envoy Says Debt Status Precludes Loan Use C 2

CHILE

Peru Welcomes Pinochet's Remarks on Disarmament E 1
Pinochet Returns to Santiago; Cardemil in Hospital E 1
Pinochet Warns Leftists; 4 Sep Protest Planned E 1
Secretary Abducted in Arica; Official Threatened E 2
Opposition Leader Valdes Receives Death Threats E 2

COLOMBIA

Unidentified Persons Kill Mayor of Corinto F 1
Workers Occupy Chamber of Representatives Office F 1
EPL Requests Lifting of Labor Union Sanctions [EL TIEMPO 21 Aug] F 1
Defense Ministry Reveals Increase in Violence [EL TIEMPO 20 Aug] F 2
Police Raid Large Drug Production Center F 3
Briefs: Ambassadors Resign F 3

PARAGUAY

Colorado Leader Discusses Leadership Problems H 1
Opposition Groups Score Radio Nanduti Suspension H 3
Director Discusses Closure [HOY 18 Aug] H 4
Exile Leader Leaves Bern for Buenos Aires H 6

PERU

Mayors Hold National Conference on Foreign Debt J 1
Garcia Addresses Meeting J 1
IU Leader Supports Government J 5
Prime Minister Concludes Conference J 5
State Banks Separate From Banking Association J 6
Small Bomb Deactivated in Lima City Hall J 6
Alleged Attackers of Sailors at Bus Stop Arrested J 6
Police Identify Killers of Three Marines J 6
Traffickers Shoot Down Plane, Gang War Presumed J 7
Drug Complex Raided, Traffickers Arrested J 7

URUGUAY

Government Suspends Dialogue Because of Strikes K 1
Chiarino Denies Dissatisfaction Within Military K 1

VENEZUELA

Prison Warden Confesses in Posada Escape Case L 1
Delegation Hails Moscow Youth Festival L 2
[EL NACIONAL 9 Aug]
Briefs: Finnish, Israeli Envoys End Tours L 2

MEXICO

Government Announces Plans To Renegotiate Debt M 1
Sepulveda on Area Integration, Contadora Process
Departs for Colombia M 2
Argentina's Martinez Supports Debt Payment M 3
Briefs: Navy Joint Staff Chief M 3

CENTRAL AMERICA

BELIZE

No Agreement Reached With UK Sugar Factory P 1

COSTA RICA

Government Denounces Latest Sandinist Attack P 1
Foreign Ministry To Be Briefed P 2
Alleged Nazi War Criminal Koziy Released P 2
Five Cubans With False Passports Detained P 3
Candidate Wants To Break Relations With Nicaragua P 3

EL SALVADOR

Police Raid, Dismantle 'Clandestine' Printshop P 3
[LA PRENSA GRAFICA 22 Aug]
FMLN Enforces Transportation Stoppage in West P 4
[Radio Farabundo Marti]
FMLN Reports 109 Army Casualties in 3 Days P 4
[Radio Venceremos]
FMLN Claims 71 Army Casualties in Chalatenango P 4
[Radio Farabundo Marti]
FDR-FMLN Letter to Episcopal Conference P 5
[Radio Venceremos]

GUATEMALA

Commentary Criticizes U.S. Terrorism Proposal P 8

HONDURAS

Visiting EEC Group Discusses Cooperation P 9
[LA PRENSA 21 Aug]
Armed Forces Chief on 'Conspiratorial Movement' P 10
U.S. Priest Discusses Recent Arrest by Army P 10

NICARAGUA

National Assembly on Meeting With Costa Ricans P 12
[EL NUEVO DIARIO 21 Aug]
Mexico's Sepulveda on Central American Dialogue P 13
Defense Ministry Report on 15-21 August Clashes P 13
[EL NUEVO DIARIO 22 Aug]
Interior Ministry Agents Break Up Contra Plot P 14
90 Contras Surrender to Authorities in Waslala P 15
99 EPS Members Reportedly Desert, Join FDN P 15
Socialist International Vice President Arrives P 15
Meets Opposition Leaders P 16
Rivas Criticizes Socialist International Support P 16
PPSC's Diaz on PSC Response to Talks Invitation P 17
PPSC Presents Views on National Constitution P 18
PLI President on Constitutional Consultations P 18

CUBA

Castro Message Greets Returning Youth Delegates Q 1
Rojas, Delegation Meet With Guyanese President Q 1
Malmierca Discusses Ties With Japanese Official Q 1
U.S. Antisatellite Tests Directed Against USSR Q 1
CIA Involvement Hinted in Anti-Castroite's Escape Q 2
Sabotaged Cuban Plane in 1976 Q 2
Search Continues for Escapee Q 2
Pinochet Denies Rumors of Military Coup Q 3
Peruvian Prime Minister Views Foreign Debt Q 4
Honduras Releases U.S. Priest After Questioning Q 4
Jamaican Prime Minister Closes Hospitals Q 5
New 110,000 Watt Sub-Power Plant Begins Operations Q 5
Briefs: Spain To Build Merchant Ships Q 5

OTHER COUNTRIES

ARGENTINA

Foreign Minister Communique on Area Peace Force V 1

GUYANA

Hoyte Tells PNC Foreign Policy Will Remain Same V 1

COUNCIL CALLS FOR RESTRUCTURING OF ANDEAN PACT

PY201405 La Paz Cadena Panamericana in Spanish 1700 GMT 17 Aug 85

[Excerpt] The Andean Business Consultative Council ended its seventh meeting yesterday, 16 August. Its most important resolution was to demand that governments convert 50 percent of their foreign debt into investment bonuses. The Declaration of La Paz simultaneously released to all member countries and the executive secretary of the Council, Roberto (Perilla), will read the main points of that declaration.

[Begin recording] The Andean Business Consultative Counicl is once again calling on the governments of the member countries, the commission, and the board to take into account, in the restructuring of the Cartagena Consensus, the guidelines and recommendations contained in the alternate Andean business document that was submitted to the Andean governments and the commission in August 1984.

That document contains the philosophy and the practical framework which the Andean Business Consultative Council feels sould serve as the foundation of the Cartagena Consensus. Therefore, given the imperative need of providing impetus to a process, which continuing its present course will lose its validity, we ask the governments and the commission to set a final deadline of 31 December 1985 for the approval of the instruments and protocols to implement the restructuring of the Andean Pact. [end recording]

Private businessmen are worried about the fate of the Pact and so are asking that measures be adopted to allow the next meeting to be held on 31 December 1985, when the instruments and protocols should be approved.

BRIEFS

ANDEAN CHAMBERS OF COMMERCE -- During a gathering in La Paz of private businessmen from the Andean countries, the Confederation of Andean Pact Chambers of Commerce has formed binational commissions to promote inter-Andean trade. The Bolivian-Peruvian commission is headed by Marcelo Perez Monasterio; the Bolivian-Ecuadoran commission by Victor Jauregui Guachalla; the Bolivian-Chilean commission by Jose Pinelo Prieto; the Bolivian-Colombian commission by Jorge Tamayo Ramos; and the Bolivian-Venezuelan commission by Rene Candia Navarro. The Chilean Chamber of Commerce has remained a member of the Confederation of Andean Pact Chambers of Commerce, despite the fact that Chile has withdrawn from the Andean Pact. [La Paz Cadena Panamericana in Spanish 1700 GMT 20 Aug 85 PY]

COMMUNIQUE ISSUED ON COUNTRY'S FINANCIAL STATUS

PY222017 La Paz Radio Fides in Spanish 2330 GMT 21 Aug 85

[Text] The government, through the Planning Ministry, has promised and asserted that the economic policy it will implement will have the necessary financial support and that it will fully curb inflation. This statement is contained in a public communique issued by the Planning Ministry in response to former Minister Freddy Justiniano's statements regarding the reserves left by Siles Zuazo's government. The communique reads as follows:

A. We have proven that the previous government has not left us a $45-million net international reserve in the treasury despite the statement made by the former planning minister.

B. As far as available currency is concerned, it has been proven that to date the Argentine Government owes $29 million for gas purchases and that this money has not been deposited in the Treasury. Regarding the $20-million loan granted by Argentina that the Bolivian Government Oil Deposits has not used, its rescheduling implies negotiations that are not always easy. Therefore, the outcome of such negotiations is uncertain.

C. Regarding funds backing letters of credit for $6 million, it is reiterated that although these funds are Bolivian resources, they cannot be freely used because they are not readily available as demand deposits and they are earmarked for letters of credit. These funds stood at $4.25 million on 2 August.

D. Although during the term of the past government, cooperation agreements were signed with countries and international organizations for $1.3 billion, most of this amount has not been disbursed, and the balance cannot be released in the short term because the government does not have the matching funds most of these agreements require.

E. The economic policy which is soon to be implemented by the national government will have the necessary financial support that will fully curb inflation.

ADN LEADER CALLS NEW PRESIDENCY 'SPURIOUS'

PY230240 La Paz Cadena Panamericana in Spanish 1130 GMT 22 Aug 85

[Text] The National Democratic Action [ADN] national leadership is drawing up a policy of constructive opposition, Eudoro Galindo has told Radio Panamericana. He said the ADN should accept the reality that it was the party that won the elections but was robbed of victory through a political maneuver.

[Begin Galindo recording] The (?aim) of the ADN national leadership is to organize the party, which is already the largest in the country, by strengthening its structures and adjusting its internal organs to the realities we are now experiencing as the party that won the elections but was robbed of the right to govern. We are trying to look toward the future, consolidate the democratic system and, of course, improve all the internal ADN organs, at the same time taking part in politics.

It is obvious that we have (?respected) the legality granted by the Electoral Court to the congressmen, who ultimately elected a spurious president, a president and a party who are nothing but a group of usurpers because democracy is the rule of the majority with respect for the minorities.

Here we see an alliance of minorities against the interests of the majority. We also know that it is a usurper government, because it does not express the opinion of the citizens, since a majority in the country voted for the ADN, but the vote has been distorted through fraud. We have systematically denounced that and we will continue to do so through the appropriate legal channels. [end recording]

We then asked Galindo about the municipal elections. He said that a flexible policy is being employed regarding them.

[Begin recording] The boundaries of the urban areas are being changed arbitrarily in order to exclude the voting places where the ADN has had the best results and include other voting places where the ADN has lost to other political parties. The boundaries have been changed according to the whims of the Electoral Court, confirming the conduct it has adopted before. The ADN opposes this and we will (?express) our opposition responsibly. I stand for the faction of my party that is the most critical of Dr Paz Estenssoro's government. We have not congratulated Dr Paz Estenssoro or Vice President Garret for having taken office, because, if the rules of the game had been respected, we would have congratulated a real winner, not a usurper who snatched away the legality that we represent in this country. [end recording]

These statements were made by ADN leader Eudoro Galindo.

PCB, MIR DEPUTIES TRADE CHARGES IN CONGRESS

PY222135 Paris AFP in Spanish 1238 GMT 21 Aug 85

[Text] La Paz, 21 Aug (AFP) -- Guillermo Richter, a deputy belonging to the pro-Chinese [as received] Bolivian Communist Party [PCB], revealed here today that former Vice President Jaime Paz Zamora, leader of the Movement of the Revolutionary Left [MIR], has belonged to the Bejing-line Communist Party [PC] and was sent to study in Albania. Richter, who represents the PCB in Congress, made that statement in response to an accusation by MIR deputies that the government is heading a campaign against the peasant union organizations in the south of the country.

MIR Deputy Leopoldo Lopez stressed that the leader of the Beijing-line PC, Oscar Zamora himself, leads the groups, which intend to destroy the union organizations in the agricultural sectors and which have brutally beaten leaders of these sectors.

After intense debate, the MIR won approval by the Chamber of Deputies of a resolution against the government activities affecting the peasant workers. The resolution also requested guarantees for peasant leaders and for Radio Tarija.

FRG ENVOY SAYS DEBT STATUS PRECLUDES LOAN USE

PY222236 Paris AFP in Spanish 1338 GMT 21 Aug 85

[Text] La Paz, 21 Aug (AFP) -- FRG Ambassador to Bolivia Helmut Hoff today said the fact that Bolivia's debt is in arrears prevents it from using an FRG loan for 100 million DM (U.S. $36 million). The ambassador said the loan had been earmarked for the mining area (the Karachipampa lead-silver smelting plant) and for the irrigation of rural areas in central and western Bolivia. This loan was granted under favorable conditions with a 3-percent interest rate and a 30-year amortization deadline. The ambassador said his country will continue to grant technical aid to a series of Bolivian projects and he hopes that the new government will reach an understanding with his government.

PERU WELCOMES PINOCHET'S REMARKS ON DISARMAMENT

PY222322 Santiago Domestic Service in Spanish 1730 GMT 22 Aug 85

[Excerpt] The Peruvian Government has expressed thanks for an announcement President Augusto Pinochet has made on a joint Latin American disarmament initiative. This information has been supplied by Foreign Minister Jaime del Valle, who said Peruvian President Alan Garcia has expressed full satisfaction with the Chilean Government's recent initiative.

[Begin Del Valle recording -- in progress] ...Information supplied by the Peruvian foreign minister on the following day, in which the Peruvian Government expresses thanks for the words of the Chilean president, whose statements [words indistinct] very praiseworthy and that they reveal that the Chilean president is clearly aware of what President Garcia had in mind when he issued a call to the other presidents of the Americas. Therefore, I believe this step taken by President Garcia and generously supported by President Pinochet in such a clear and precise manner is the first of other steps to be taken by our leaders. This will lead to a regional accord that may have far-reaching implications. [end recording]

Foreign Minister del Valle also reported that the Supreme Court will issue a resolution on the civil and political rights pact, which Chile has not yet ratified at the United Nations.

Concerning his latest meeting with Chilean Ambassador to the United States Hernan Felipe Errazuriz, Del Valle said they analyzed bilateral relations, which the foreign minister called normal. Del Valle said his meeting with the Chilean ambassador was very positive. The foreign minister congratulated the ambassador on his work on the foreign debt renegotiation.

PINOCHET RETURNS TO SANTIAGO; CARDEMIL IN HOSPITAL

PY220349 Santiago Radio Chilena in Spanish 2330 GMT 21 Aug 85

[By Percy Valvel]

[Excerpt] Upon returning from the Eighth Region, where he attended ceremonies marking the anniversary of Liberator Bernardo O'Higgins' birthday, President Augusto Pinochet resumed his duties at La Moneda Palace this afternoon.

It has been reported that Interior Under Secretary Alberto Cardemil has been admitted to the military hospital. Cardemil was first taken by a Carabineros plane from Chillan to (Tobadava), where he was picked up by Cabinet Chief Marcelo Benegas.

PINOCHET WARNS LEFTISTS; 4 SEP PROTEST PLANNED

PY230024 Madrid EFE in Spanish 0022 GMT 22 Aug 85

[By Senen Conejeros]

[Excerpt] Santiago, 21 Aug (EFE) -- The protest called for 4 September and the latest remarks by President Augusto Pinochet have turned the much-wanted reconciliation advocated by the Catholic Church into mere hopes.

On the evening of 20 August in San Carlos (400 km south of Santiago), Pinochet warned that he will adopt drastic measures against the bad Chileans who have sold themselves to communism.

Concerning the demonstrations the opposition staged in Santiago on the same day, Pinochet said: Those who advocate violence will have to face the consequences. In recent statements, Pinochet said he is the only one who could revolt in Chile.

The opposition has concentrated its efforts on the national protest called for 4 September and on the political talks being held with Santiago Archbishop Cardinal Juan Francisco Fresno. The National Workers Command and the student organizations, particularly the Catholic University Student Federation, will also participate in the protest on 4 September. This new protest action will have special significance, because it will mark the 15th and 21st anniversary of the election, by universal suffrage, of Presidents Salvador Allende and Eduardo Frei, respectively.

Meanwhile, the main opposition leaders are continuing their meetings with Cardinal Fresno's advisers. The Santiago archbishop is trying to narrow the differences between the dissident sectors.

SECRETARY ABDUCTED IN ARICA; OFFICIAL THREATENED

PY230011 Santiago Radio Chilena in Spanish 1700 GMT 22 Aug 85

[Report from Arica]

[Excerpt] A petition for an injunction granting court protection was submitted to the Arica Appellate Court on behalf of two public servants, who yesterday received threatening letters. One of these individuals was abducted.

The city of Arica has been shaken by the kidnapping of a secretary of one of the Agriculture Ministry departments here. The incident occurred on Monday, 19 August, at approximately 0900, when the 25-year-old woman, whose initials are M.C.S., and who is the mother of two children, was going from her home in (La Pangloria) to downtown Arica. The woman boarded a Subaru model taxi designated as No 8. En route, the vehicle suddenly changed direction and took her to Las Machas Beach, north of Arica, where the individuals in the taxi threatened her with a knife to prevent her from screaming. On their way to Las Machas, the individuals beat the woman and, using vulgar language, questioned her about her activities and those of her boss, who had already received threatening letters. At around 1400 they took her to the foot of a hill and abandoned her in that desert region.

The kidnapped woman informed the Carabineros and the judge of the second criminal chamber, Humberto Retamal, about this incident. The latter has started investigations to find the individuals responsible for this case. According to the description the victim gave the police, her kidnappers were three scruffy looking individuals between the ages of 35 and 38. It was also learned that the individuals, through their victim, threatened a high-ranking Arica official, whose activities they were investigating.

OPPOSITION LEADER VALDES RECEIVES DEATH THREATS

PY221623 Madrid EFE in Spanish 2138 GMT 21 Aug 85

[Text] Santiago, 21 Aug (EFE) -- Former Foreign Minister Gabriel Valdes, president of the opposition's multiparty Democratic Alliance, today reported having received death threats. Valdes said he has written to Interior Minister Ricardo Garcia to inform him of the threats. The opposition leader added that he has been libeled in pamphlets which accuse him of being a traitor, and of having sold himself to the communists. These pamphlets have been distributed in various parts of Santiago.

UNIDENTIFIED PERSONS KILL MAYOR OF CORINTO

PA221630 Madrid EFE in Spanish 1444 GMT 22 Aug 85

[Excerpts] Corinto, 22 Aug (EFE) -- Narciso Norena, mayor of Corinto, was murdered today by two unidentified persons who shot him while on his way to his office in this town in western Colombia. It was here in Corinto where the 19 April Movement (M-19) signed the truce and cease-fire agreement with the government exactly 1 year ago.

Norena, who on 24 August 1984 was host to the top-ranking M-19 leaders at the mayor's office in Corinto during the signing of the peace treaty, was shot four times; once in the head and three times in other parts of his body. Following the attack the official was taken to the Harold Eder Municipal Hospital where, according to Dr Jorge Edmundo Perlaza, he was pronounced dead on arrival.

The attack that ended the life of 32-year-old Mayor Norena was carried out by two young men who, after shooting the official at approximately 0730 (1230 GMT), fled from the area, a spokesman for the local police said. The civil, police, and military authorities refrained from speculating on who committed the crime and began a search over a wide area of the mountains around Corinto.

WORKERS OCCUPY CHAMBER OF REPRESENTATIVES OFFICE

PA220416 Buenos Aires REUTER in Spanish 2250 GMT 21 Aug 85

[Text] Bogota, 21 Aug (REUTER) -- Today a group of workers occupied an office of the Chamber of Representatives of Colombia and asked the government to revoke measures against the Trade Union Confederation of Colombian Workers, which has communist leanings. Two months ago the government suspended the legal status of that Confederation, which organized a nationwide civic strike.

The occupation of the Seventh Committee of the Chamber of Representatives began peacefully at 1700 GMT and will last indefinitely, according to one of the labor leaders. This action took place 24 hours after President Belisario Betancur appointed a labor leader as labor minister. The secretary of the committee, Jose Vicente Marquez, said a dialogue is being arranged with the government to settle the impasse. Alfredo Vasquez, former foreign minister and director of the Permanent Committee for the Defense of Human Rights, is acting as mediator.

EPL REQUESTS LIFTING OF LABOR UNION SANCTIONS

PA230005 Bogota EL TIEMPO in Spanish 21 Aug 85 p 3 A

[By Lucia Victoria Torres]

[Text] Medellin, 20 Aug -- The Popular Liberation Army (EPL) and workers at the Uraba banana companies have asked the commission for the verification of peace agreements to mediate before the government to lift sanctions imposed on area labor unions in the wake of the 20 June civic strike.

In addition the EPL requested guarantees for the movement, which is the main and practically the only political force in northwestern Antioquia. The group also denied responsibility for the kidnapping, torture, and murder of a police corporal in Buritica, Antioquia.

Together with the 19 April Movement and the Army of National Liberation (ELN), the EPL asked the Revolutionary Armed Forces of Colombia to suspend armed clashes with other guerrilla groups and to unite in order to tackle a very difficult situation facing the country in the near future.

Meanwhile, members of the commission for the verification of the cease-fire and truce agreements, which were signed by the government and the rebels, criticized the silence maintained by various commissions that participated in the process and the lack of general information regarding their efforts.

The EPL and Uraba workers made their request during a national solidarity meeting on Sunday in Apartado, Uraba municipality, Antioquia Department. Anibal Palacio, top EPL leader in Antioquia, and representatives of Uraba labor unions requested the reinstatement of the legal status of the National Federation of Colombian Bank Workers Unions, Sintranore [expansion unknown], Sindane [expansion unknown], the Farmworkers Union, the National Federation of Workers at the Service of the State, the National Federation of Workers of Public, Essential, and Official Services, and the Trade Union Confederation of Colombian Workers. They also requested the reinstatement of more than 100 workers who who were dismissed by banana companies in the wake of the June civic movement.

They also asked for an end to the harassment of workers who participated in the strike and to the death threats against union members.

DEFENSE MINISTRY REVEALS INCREASE IN VIOLENCE

PA222227 Bogota EL TIEMPO in Spanish 20 Aug 85 pp 1 A, 3 A

[Text] A total of 605 guerrillas, 272 peasants, and 243 soldiers and policemen died in Colombia between July 1984 and July 1985. During this period, violence grew substantially as a result of attacks on military posts and raids on towns by subversive movements.

According to Defense Ministry data revealed to EL TIEMPO, the guerrillas changed their strategy and began occupying towns, where they robbed government offices, such as the Agrarian Fund, as well as stores, thereby considerably increasing their financial resources.

Credit for the main attacks was claimed by such armed groups as the 19 April Movement, the Popular Liberation Army, and particularly the National Liberation. These movements are no longer observing the truce and have redoubled their activities in regions such as Valle and Cauca, where kidnappings and extortion are on the increase.

In a message to Congress, Defense Minister General Miguel Vega stressed that the armed groups have not fulfilled, much less respected, the peace agreements signed last year with President Belisario Betancur's administration.

The most serious aspect of this subversive scene is the infiltration of the guerrillas into urban areas, such as Corinto and Yumbo, military sources stated.

The report indicates that guerrilla actions have increased, particularly against the police, the branch of the Armed Forces that has suffered the most in this rupture of the pacification process, as 168 policemen have died.

The region affected most by the actions of the armed groups is Valle where, according to military statistics, the guerrillas have recruited approximately 5,000 fighters in less than 1 year.

Violence has increased to such an extent in several areas of the country that in 24 hours in July 14 people died, including 2 police inspectors, a Revolutionary Independent Worker Movement leader, 2 cattlemen, 4 peasants, and a policeman.

One of the fiercest guerrilla attacks this year was the attack in Herrera, in the jurisdiction of Rioblanco municipality, Tolima Department, where 10 people, including 1 Red Cross worker, were killed.

According to the military, another worrisome development is the increase in terrorist actions like the one in Medellin in February, when one watchman died and another was wounded in a rash of attacks involving the explosion of seven powerful bombs.

The military statistics indicate that 272 peasants, 605 guerrillas, 72 soldiers, and 168 policemen died between 28 July 1984 and 17 July 1985. In addition, 207 policemen and 83 soldiers were wounded. There were 23 attacks on military bases and 84 on police posts. A total of 26 ambushes were staged against Army patrols and 62 raids were staged on towns, farms, and villages.

In addition, 65 military and 62 police vehicles were attacked. There were 54 assaults on banks and stores, and 301 terrorist acts. Radio and television stations were either raided or harassed 33 times.

POLICE RAID LARGE DRUG PRODUCTION CENTER

PA170033 Bogota Television Service in Spanish 1730 GMT 16 Aug 85

[Text] International cooperation against drug trafficking has yielded excellent results. An international network of drug traffickers was deactivated during the so-called "Condor Operation."

During a joint action by Peruvian and Colombian authorities at the border between the two countries, a blow was dealt to the organized gangs of drug traffickers who had mounted in the area the biggest drug production and distribution center discovered so far. In the area of Caballococha, the police discovered clandestine airstrips from where big aircraft operated. During the operation, several aircraft were confiscated, three of them registered in Colombia, as well as two laboratories, radio communication sets, and weapons of various calibers. In addition, large underground depots for storing cocaine base were discovered.

Also during the action, several drug traffickers were captured. One of them was wounded during a clash with police.

BRIEFS

AMBASSADORS RESIGN -- The Foreign Ministry reported today that the Colombian Government has accepted the resignations of the ambassadors to Paraguay and the Netherlands. General Fernando Landazabal was ambassador to the Netherlands and Emiliano Isaza served in Paraguay. The government also accepted the resignation of Pablo Roldan Modrak, who served as minister counselor of the Colombian Embassy in the United States. [Text] [Buenos Aires REUTER in Spanish 21 Aug 85 PA]

COLORADO LEADER DISCUSSES LEADERSHIP PROBLEMS

PY222023 Asuncion Radio Nanduti in Spanish 1045 GMT 21 Aug 85

[Telephone interview with Mario Pastor Almada, president of the 23d Colorado Party Branch, by Humberto Rubin, director of Radio Nanduti in Asuncion, on 20 August -- recorded]

[Excerpts] Since we were unable to hear his original statements, we asked Mario Pastor Almada, president of the 23d Colorado Party Branch, to speak to Radio Nanduti's 1830 newscast.

[Almada] Humberto, first of all I want to tell you that I am an active member of the Colorado Party. I am not black, I am white [presumably referring to South African racial situation], and if they have to hang me at some public plaza for defending the rights of the people, especially the 31 years of peace under Alfredo Stroessner, then my life is the least I can give. I am here to answer any questions you care to ask. About the black leader who is to be hanged in a public plaza, as you have said, I repeat to you that I am a white leader, and if anyone wants to hang me in a public plaza for telling the truth, for not lying to the people, these Colorado people who at this time do not know what is happening at the level of the party leadership. [sentence as heard] We unfortunately applaud this leadership out of a sense of respect for their positions and nothing else, because it was our fault not to have elected the true leaders of the party. So we are now in a state of great confusion. The leadership is divided, not the Colorado Party.

[Rubin] You have to excuse me for asking this question, but I did not hear your statements this morning. I was told that you mentioned names and that you talked about points which other people do not talk about. So that we know the truth and need not make suppositions, can you tell us if you mentioned names?

[Almada] It happens that Carlin [derogatory name for Carlos] Romero Arza was appointed to the executive board on recommendations, or on the hope that he would honor his father's name [Tomas Romero Pereira, a late leader of the party], his father's political career until 1954, and after 1954 [year in which General Alfredo Stroessner came to power]. He did not enter the board through the front door. I believe he came through the chimney. He does not deserve to be a member of the board. He is a man who besmirches the permanent directors of the party. Look at the way he conducted himself at the last board meeting, prodding Dr Pedro Hugo Pena to allow him to speak even though the speakers had already been designated. When he was allowed to speak he used the opportunity to again criticize the prestigious party leader, Mario Abdo Benitez, and the youth who challenged the board members in that sham of an assembly at the Ignacio A. Pane Center [a youth organization of the Colorado Party]. I believe that the presidents of party chapters, at least those who are not hanging on anyone's coattails, have to start naming names so that our party can improve institutionally. They say that division does not exist, but the truth is that there is a wide division among board members.

I think, Humberto, that Nanduti and all radio stations must seek out the men who have the courage to speak the truth. These alleged leaders have always resorted to lies, telling us that President Stroessner has already approved this or that list. However, evidence shows that our fellow party member, Alfredo Stroessner, president of the Republic of Paraguay, did not interfere in party problems. He did not help his most trusted aide, Mario Abdo Benitez, become vice president of the board. Therefore, with a free hand, the executive board denied Abdo Benitez his rightful office.

Humberto, I am not apologizing for my position, because you know that I have been on the other side. I don't know what they mean by tradition, because the party cannot be an inheritance to be distributed in coins, real estate, and properties. [sentence as heard] If I had received something as an inheritance, I would now be a permanent member of the executive board. I have traveled 10,000 km in electoral campaigns without asking for any contributions. For 9 years, I have been taking care of more than 1,000 families of fellow party members without receiving a cent from the executive board. I have built offices for the party branch of which I am president with my own money and that of my friends. I bought another piece of property which has not yet been transferred to the executive board, and I believe that in the end I will keep it because the executive board has not contributed anything. I have not asked the executive board for a single medical prescription, a single coffin. I do not deserve animosity from those who claim to be active members and to be defending the party. I think the Colorado Party must reward the people who work for it, not those who like the current board members have done nothing. Meantime, President Stroessner has honored the party since 1954, and the current leaders are now repaying him with this uncertainty and disunity that they are creating throughout the country.

[Rubin] Is there anything you want to add?

[Almada] I even believe that your Radio Nanduti is something of a scapegoat for the bad people in this process. Alfredo Stroessner is the flower in this garden of the Americas, but some of the people who surround him have bad intentions. I believe that Radio Nanduti was closed more than once owing to the bad intentions of some people, but not of Alfredo Stroessner. He loves the Paraguayan people, without distinction. He works for the people, with the people. I believe he is the only president in the world who has no interest other than his country. He loves the people, his countrymen. I believe that some people are not rewarding him as they should. I blame 10 or 12 individuals who took advantage of this process, not the millions of Colorados you mentioned. We will defend this process. We will stand by him. And sometime we will try to find out the truth about Radio Nanduti, why it is persecuted, why it is closed. If we, as Colorados, have to defend you, because you open your doors to us, because you let us tell our truth, we will. We ask you, Humberto, [words indistinct] never be against Alfredo Stroessner. I know that you do not belong to any political party, and just as you give opportunity to the opposition, you also give a green light to the Colorados to tell their truth over that radio so that all will hear it.

Humberto, thank you very much and a warm embrace. Lastly, I want to say that I am not indebted to anyone. I say what I think about what is happening in our country. The Colorado Party is large, the Colorados are not divided. Those who have amassed their wealth and don't know what to do with their money are the ones promoting disunity.

We have staged an homage to the leader of peace, to the man who has sacrificed himself for 31 years, and many seats were empty because President Stroessner would not attend. Had he been there, these Judases of the party would have been there to boast that they are with Stroessner. They are true Judases. When they are in front of him, they stand up and smile, but behind his back they get together and conspire against him because they think he is already too old. I repeat to you, Humberto, that if God grants us life, the successor of Alfredo Stroessner will be another Stroessner, his oldest son.

[Rubin] This has been Mario Pastor Almada making these statements that should have unpredictable consequences because of the manner in which he talked when we asked him to repeat for us what he had said on today's Channel 9 noon newscast. Obviously, he said and clarified his statements and you have all heard him.

OPPOSITION GROUPS SCORE RADIO NANDUTI SUSPENSION

PY210302 [Editorial Report] Asuncion EL PUEBLO in Spanish on 15 August carries on page 3 several communiques issued by Paraguayan opposition parties and labor unions on the decision of the National Telecommunications Administration [Antelco] to suspend Radio Nanduti for 10 days.

The communique of the Executive Board of the Revolutionary Febrerist Party signed by Secretary General Ricardo A. Lugo and President Euclides Acevedo states that "in light of this new violation of the freedom of information," the party executive board has resolved to "repudiate the attitude of Antelco and express the solidarity of this political organization for the director and staff of ZP14 Radio Nanduti for their courageous and dedicated efforts to keep the people informed."

The communique of the National Committee of the Revolutionary Fevrerist Youth signed by Diana Banuelos, national secretary, states that "the arbitrary decision to suspend Radio Nanduti on all of its frequencies is another outrage against the national public opinion." It adds that "lack of information and the manipulation of information are characteristic of dictatorial regimes like ours, which seek to disguise the burning problems of the country by resorting to repressive means." After indicating that "ridiculous and worn-out arguments" used to justify strong-arm measures no longer convince anyone, the National Committee condemns the decision and "voices its solidarity with Radio Nanduti Director Humberto Rubin and the staff of workers and employees of this radio station."

A communique signed by the Press Secretariat of the National Accord claims that "once again the bullies in power have perpetrated the outrage of silencing Radio Nanduti, this time for 10 days, thus openly violating freedom of expression." After pointing out that this is just another piece of evidence that the dictatorship is lying when it claims there is freedom of the press, the communique of the National Accord concludes by pledging its total solidarity with Humberto Rubin and the journalists and employees of the radio station "which has definitely won a place in the hearts of the mute people."

An unsigned communique of the Colorado Popular Movement [Mopoco] reports that in light of the suspension of Radio Nanduti, a delegation of the Mopoco Executive Board led by its president, Waldino Ramon Lovera, has paid a visit to the radio station "to express the solidarity of our political organization and to repudiate the arbitrary and senseless resolution." The communique adds that "the suspension of Radio Nanduti is another outrage of the dictatorship against freedom of press."

The communique of the Radical Liberal Party [PLR] dated 9 August and signed by Secretary Luis Alberto Jara Sanchez and First Vice President Emilio Forestieri states that in view of this new attack on constitutional rights and guarantees, the PLR Executive Board expresses "its fraternal solidarity with Radio Nanduti, which has been harassed and repressed by the regime because it lends its microphones to Paraguayans whose voices and ideas the autocracy that the Paraguayan people have had to endure for 30 years is trying to silence." After expressing its indignation over the disregard for the freedom of thought and opinion expressly guaranteed by the Constitution, the communique adds that "it is obvious that Article 40 of the Constitution, according to which 'dictatorship is outlawed,' is meaningless."

The communique of the Paraguayan Workers Inter-Union Movement [MIT] signed by the press committee blames the government for jeopardizing the right to work and freedom of expression by closing down Radio Nanduti and brings to the attention "of national and international public opinion the systematic repression of the above-mentioned rights clearly provided for in the national Constitution and the labor laws."

It also voices solidarity for the workers of Radio Nanduti and its director, Humberto Rubin. The communique goes on to ask the government to "cease the persecution of media that are doing their best to keep the people informed and to allow the citizenry to voice their concerns." The communique concludes by pointing out that "through measures of this kind, the government merely worsens the problems that nowadays besiege most Paraguayan people."

the communique of the Farmers Coordinating Committee, dated 12 August in Paraguari and signed by Secretary Francisco Javier Garcete and President Marcelino Corazon Medina, pledges its complete solidarity with Radio Nanduti, its director, Humberto Rubin, as well as with all the workers and employees of the radio station, adding that "the suspension of this radio station is another attack on freedom of the press and the Constitution itself, for the latter guarantees the free exercise of the former. The communique concludes by pressing for "the end of the permanent harassment of this radio station, which has always been at the service of our long-suffering peasant sector."

Director Discusses Closure

PY211908 Asuncion HOY (Sunday supplement) in Spanish 18 Aug 85 pp 4, 5

["Text of interview granted by Radio Nanduti Director Humberto Rubin to HOY Sunday supplement correspondent Augusto Barreto in Asuncion -- date not given]

[Excerpts] [Barreto] What can this new suspension of Radio Nanduti be attributed to?

[Rubin] Rather than speaking about this new suspension, I would prefer to analyze the question in more general terms. I believe that this is part of a scheme based on the ideas some authorities have about Radio Nanduti. I do not believe there is any difference between this and the previous times I was forbidden to speak on the radio or when the station was closed for 30 days. They insist that this radio opposes the government, that it sees everything black, that it responds to foreign interests, that I am an anti-Paraguayan.

[Barreto] How would you answer those charges?

[Rubin] I deny them emphatically. On the contrary, I consider myself very Paraguayan, very objective, and very democratic. I do not believe I deserve all those charges, and without the chance to defend myself, to boot.

[Barreto] But what were the reasons given for the measure this time?

[Rubin] They said that I offended institutions, personalities. I have always maintained that the one who pulled the trigger, and not the gun itself, should be arrested. I do not believe that Nanduti is guiltier than a journalist who writes an item or reportage that hurts someone. The logical thing for this offended person to do is to come to me and demand that I retract or qualify what I have said.

[Barreto] Don't you think that you may perhaps have exaggerated in handling some information?

[Rubin] I can assure you that I have not done anything that I should regret. I just hope the authorities can actually demonstrate the reasons for this measure. I would not mind making a public apology if one were warranted.

However, for me to do so, I must be shown that I really made a mistake. I repeat that if this is the case, I will apologize via all available media, and I will offer a retraction myself because the truth is the only road I want to travel, regardless of who is hurt. The truth is made of stone. If it were made of feathers, it would not hurt. This is a cheap dictum, but it is true. The only reason I see for this whole affair is that some truths fell like stones.

[Barreto] Which, for instance?

[Rubin] For instance, asking for the moral cleansing of the nation, reports in which important names were mentioned. We did not invent the information; we are not manufacturers of news. We are simple mouthpieces of the news and, of course, we go into detail and we analyze them. Whoever thinks that we make up the news is incorrect. We have never made up charges. Someone has always come to us and told us "this happened to me." Usually at that time we tell the person who is being charged: "Sir, there is a person here at the radio station who says these things; can you speak with this person? The implicated person has the option to say yes or no. If he says yes, these two persons talk, just as Mr Blas Riquelme did a few days ago. If the implicated person says no, we make it clear to him that we will air the charges, and ask him the clarify the news we have made public. We have never acted with ulterior motives as the government says we had.

[Barreto] And now?

[Rubin] I try to find the answer, the reason, but I can't. I would like the authorities some time to tell me: "Look, Rubin, you have been wrong about this, and this person was hurt," if they show me that I was wrong, I will make amends; the injured person has a right to make a reply. I believe that the right to reply is the fairest principle in the world of communications. However, here this right does not exist. Ping pong is played here from one side only. The government plays and I have to stand on this side without being allowed to play. They say that I am a subversive, a sinister bearded one, and, according to the last resolution, I am an instigator. I don't know what they mean by this. I ask you: What about the letters and the endorsements people have so generously been sending us for 20 years? Do they not mean anything? Letters from physicians, professors, and scientists? Does this mean that I have been deceiving all these people for all these years? The government censor has now discovered that I am a subversive, a guerrilla, a negative. It turns out that I have been cheating the rest of the country with which we have been in contact on a daily basis. This is difficult for me, especially now that the newspapers and the news media have not said anything about Nanduti for the last couple of days. This is the first reportage, and I hope it will be published, although I still have my doubts.

[Barreto] Why do you think that the word "communist" is so easily used in connection with some problems?

[Rubin] I don't know why, because I am not a politician, I do not stand behind any banner. In my case, I think that the accusation is made because of our radio's position regarding the distribution of wealth, the eradication of corruption, and the need for Paraguayans to participate in the country's political affairs because 100 people cannot make decisions for 3 million people. Moreover, "communist" and "homosexual" are the first accusations hurled at any member of the opposition. At least I have not yet been called a "homosexual," but I have already been called "subversive," "agitator," "communist," "anti-Paraguayan," and "rare creature." They can say whatever they want, as they regularly do in the newspaper PATRIA and through the radio program "Voice of the Colorado Party."

In a meeting a few days ago, government officials said that the public knows very well what Radio Nanduti stands for, and that they were cleaning the country by closing it. To those who say that Radio Nanduti is biased because it allows one sector to speak and not the other, I ask, have we ever turned the microphone off on them? Radio Nanduti has never turned off the microphone on anyone. Moreover, I would like HOY to conduct a poll of the people's opinion of Radio Nanduti. If a seriously conducted poll shows that people say that I am wrong, you can be sure that we will publicly apologize. Why not? Perhaps I am wrong, but they have to show me!

EXILE LEADER LEAVES BERN FOR BUENOS ARIES

PY222005 Madrid EFE in Spanish 1101 GMT 21 Aug 85

[Text] Bern, 21 Aug (EFE) -- Arturo Acosta, secretary general of the Paraguayan Accord in Exile [Acuerdo Paraguayo en el Exilio--APE], has left Bern and gone to Buenos Aires to intensify his fight against General Stroessner's government.

In press statements, Acosta said he had entered Argentina legally and the UN Office of the High Commissioner for Refugees (UNHCR) in Buenos Aires had promised him support.

Acosta, a lawyer and leader of the Febrerist Revolutionary Party, has been arrested several times. Exiled in 1962, he has lived in Switzerland for more than 8 years. He was reelected APE secretary general in August 1984, in Zurich.

The APE is an organization of Paraguayan exiles of all political tendencies who are fighting against the dictatorship of Gen Stroessner, who has been in power since 1954.

MAYORS HOLD NATIONAL CONFERENCE ON FOREIGN DEBT

Garcia Addresses Meeting

PY212200 Lima Cadena Panamericana Television in Spanish 0300 GMT 21 Aug 85

["Excerpts" of President Alan Garcia's speech dedicating the Peruvian Mayors National Conference on the Foreign Debt at the Lima Municipal Theatre on 20 August -- recorded]

[Text] The time has come to break the chains of our dependency on the international economy and proclaim our ability to find our own way. The historical reactivation of Peru has started; not the bureaucratic, centralizing or administrative reactivation that a few desired, but the reactivation of the social forces which for centuries have been silenced and subdued by Lima centralism and by those who respond to foreign interests which have led us to misery.

There will be no reactivation if there is no revolution, and there will be no revolution if there is no anti-imperialism, and there will be no anti-imperialism if we do not break the financial chains that are gradually subjugating our national destiny. This is the government's proposal and it demands the support of all the mayors of Peru, who represent the interests of their towns and provinces, in order to give Peru a united image that will be respected by the international community. [applause]

We want a productive state and a decentralized economy. This is the effort we demand from all Peruvian economic sectors. The reactivation we want requires certain resources. Where are we going to get them? The first resource we need is the foreign currency and the dollars that are being sent abroad, but which, as of 28 July, form part of our national patrimony, which will remain here as an indication of the wealth of our people.

If we need to obtain resources for the historical reactivation of Peru, we will obtain them by making the foreign creditors wait, in order to benefit the Peruvian people. If we need resources for our national reactivation, we will obtain them from the wealthy sectors of our economy. We will force the monopolies to reduce their prices and make the wealthiest sectors contribute through greater taxation for the benefit of our national destiny. We will obtain resources by reducing needless expenses as well as by making the government focus its activity on promoting change and preventing it from being just a source of income for senior bureaucrats, as it has been in recent years.

We need a national effort, and this will require solidarity and fair contributions from all the Peruvian people. Based on preliminary but not spectacular statistics, I can say that 20 days after the start of my administration, the entire nation is becoming aware of its duty to fight inflation and unify itself in view of the agents of foreign imperialism. I am deeply satisfied with these statistics because by our first measures to reduce our domestic interest rates, which used to be usurious for the profit of public and private banking, we intended to reduce production costs, for which we needed to freeze prices. We also told the monopolies to stop abusing the people with their prices and to start helping them by maintaining fair prices and increasing salaries. Those who have had too large a share of national production and wealth should now understand that the time has come to make sacrifices. They should also understand that the sacrifice we request from them will last for as long Peru may need in order to achieve a profound economic reactivation.

The foreign debt is nothing but the result of an unequal exchange imposed on our economies during the 1 and 1/2 centuries of our independence. The foreign debt is nothing but the modern expression of the domination of the rich over the poor. The foreign debt is a burden that imposes conditions in which our silver, copper, and fishmeal are worth less and less compared to the industrial technologies of the wealthy countries. This foreign debt is nothing but the expression of that exchange and that disparity by which less is being paid for our work, something which is unfair, and more is demanded from us for the riches and the technological know-how of the wealthy countries.

And now, when the economic borders of our nations have been forced open for us to purchase the products they are selling -- becuase they need to sell products in order to cope with their crisis -- now that we have destroyed the Peruvian industrial economy, now that we have destroyed the possibilities for making payments, they are asking us to pay our debt as soon as possible while paying much less for our raw materials.

We are saying we will not accept the deadlines they set. We are saying that every country is moving in a different historical framework. We will move away from the constraints and the slavery sought by those who want to impose on us an economic deadline for their own benefit. We are saying Latin America must now take a new and different historical path beginning with Peru, thus starting the revolution. [applause]

Furthermore, they want us to pay through an intermediary whose role is not only to demand that we pay but also to impose economic-domination guidelines to guarantee that payment is made. And then, on behalf of our creditors, banks, financial organizations, and governments, comes that dark and gloomy character of the 20th century called the IMF, an agent for domination and exploitation, to demand not only payment but also to seek to impose economic policies that are at odds with our nation's goal of fair development. Therefore we reply to the IMF that we will not accept any letters of intent, that we will not accept any viceroys over our economy. As I said on 28 July, I was not elected by IMF officials or international bankers but by 20 million Peruvians to guarantee their independence and ensure their development. [applause]

We will not negotiate with the IMF concerning our 1986 budget, our foreign exchange policy, our interest rates, or the money to be allocated to pay our foreign debt. Peru must recover its economic sovereignty and on 28 July the road to the recovery of that economic sovereignty, for which the entire Peruvian nation voted, began. [applause] I am saying that not more than 10 percent of our total exports will be allocated to service our foreign debt, to financial organizations, countries, and commercial banks. That is what I am referring to. This must be quite clear. We need inexpensive government-to-government credits. We need to maintain the flow of capital from some international organizations whose capital investments exceed our payment capabilities, but we will not borrow money to pay previous debts, thus increasing the debt's principal and the pertinent interest payments.

Therefore, the countries, financial organizations, and commercial banks will get nothing from Peru but 1 dollar out of every 10 that we collect from our exports. This means, quite clearly, that if under normal conditions we owed $2.1 billion in 1985, then we would have had to allocate 60 percent of our exports to pay the debt.

I repeat that according to the timetables, we were supposed to pay $2.1 billion in 1985; that is, 60 percent of our exports. However, the previous administration -- and I am not the type of person who makes vindictive statements after the fact -- allowed the debt to fall overdue, so that once the rollovers, as they are called in financial parlance, became overdue, we the people of the new administration would be branded as value-impaired [preceding word in English], which means that a debtor is definitely declared in arrears.

The previous administration was obligated to pay this $2.1 billion, but this debt was allowed to become repeatedly overdue in complicity with the IMF, and although the value-impaired status should have been declared in June, it was decided to wait for the new administration, to subdue it immediately by branding it with the value-impaired status, as if it were responsible for overdue debts.

We are saying that, come what may, over the next few months we will not allocate more than 10 percent of our exports to make that payment. If in 1986 we are to pay $2.4 billion, according to the timetables given to us as an order, plus an arrears of $2.7 billion from the 1984-85 period, we would owe $5.1 billion in 1986, that is, 150 percent of the total value of our exports, which are calculated at slightly over $3 billion. Thus, with $3 billion worth in exports we will have to pay a debt of $5.1 billion for 1986 and the amount due in 1985.

Faithful to my thesis, I am saying that if exports total $3 billion or [amount indistinct] we will not allocate more than $350 million to the foreign debt, whatever the consequences of this step, because this is what the Peruvian people voted for and the Peruvian people will appreciate it if there are leaders who keep their promises and live up to their words. But we leaders will demand from the Peruvian people, in return for honoring their vote, that they maintain their resoluteness when the consequences of our policy and the difficulties thereof force us to unite as a fist to respond to international financial imperialism.

Do you want us to pay more? Then raise the prices of our exports. Set a fair price for silver. Adjust copper prices. Raise the prices for our fishmeal. Buy more from us. This will guarantee that you will collect from and reactivate this part of the world on which you also depend. We must reassess our proposals. We depend on them. But if we stand up to them, they will also depend on us. This is what the 10-percent thesis is about.

When I say we will pay, I mean that I do not support the thesis according to which a unilateral and general moratorium on the foreign debt must be declared, because we do need certain types of capital that are beneficial.

We need a government-to-government loan with 3-percent interest to be paid in 30 years, like the one required for the investment of [words indistinct]. We will be able to contract that kind of loan and pay it later. This means that there are credits we must repay. It is not a question of just saying we will not pay, because this could be said by other Latin Americans who do not have the same problems we have.

I say our anti-imperialist revolution can be evaluated by the risks we take in our words and actions as well as by the consequences we suffer on account of our position.

I will stand by you, the Peruvian people, as our mayor has said, to face whatever sanction may be imposed on us because every transformation has its consequences and we will have to suffer the pain of the birth of something new. We are here to suffer these consequences.

This is why I have clearly said that those who have different problems should propose their own solutions in their own way, in their own good time and in keeping with their own status and kind of problem. But here we experience specific circumstances and a specific situation, and we will provide the appropriate response for these circumstances and this situation -- a realistic response, a response to which we will commit ourselves morally, physically, and historically, not by merely giving advice but through the actions of Latin American countries that owe the Western banks and are confronting the IMF.

Therefore we will pay, but under what conditions? That depends on our anti-imperialist capabiltiy of not allowing the creditors to subjugate us.

We believe Latin America should adhere to a single response, and if it is taking too long, the Latin American peoples will have to demand that their leaders answer for that. If we have failed so far to join forces, as our creditors have joined forces, it is because we have not yet attained the required degree of continental awareness.

In our government, our Foreign Relations and Economy Ministries, we will continue promoting anything that will lead Latin America to adopt a single position. However, we cannot base our actions on what may happen when Latin America becomes unified. I will not fall into the vicious circle of saying that Latin America should be unified and we should wait until it is before we act. If I did, I would fall into the trap of rhetoric and would become the accomplice of those who have interests in financial capitalism either domestically or abroad.

I say we must preach and proclaim Latin American unity, and if some other nations want to join us, let them join us to proclaim a single position. This is why I say that the Cartagena Consensus should be firmly supported by Peru but through actions that will serve as examples. This is why Latin American countries should request and demand interest rates in accordance with their reality, and payment terms that will not endanger the destiny of their peoples. However, until that moment, I say that Peru, in which an anti-imperialist and transforming government has been elected, will not wait until the others reach an agreement on the issue.

If we must undertake an action, let us do so; but we have already started. We will not restrict ourselves to rhetoric and speeches. Our people no longer have time to wait for the decisions of others. Our people no longer have time to listen again and again to diplomatic speeches. Our people demand a decision from their government, and the government in turn demands from the people the decision to face whatever may come, because it is not a matter of solving the circumstances in a different manner, it is a matter of foreseeing what may happen if we do solve them in a different manner.

Our people must become aware that the consequences may be dramatic. However, no indepedence will be won without paying a price or making sacrifices. This is why we are addressing the whole nation. If we continue increasing our debt we will arrive at chaos and generalized violence. Let us break away from that way; let us become the masters and guides of our own destiny despite the fact that it will require us to face painful consequences. I ask: What freedom has been gained in history without suffering consequences of pain?

I tell the Peruvian people that if they want to win their freedom tomorrow, they must sacrifice today, because that is what history demands of people to have the right to live in freedom and justice. This is why I say let us continue proclaiming Latin American unity but without subduing the actions of the Peruvian Government. We are waiting and will continue to wait patiently, however sorrowfully, for the moment when all Latin America stands up for a single position.

Meanwhile, although we may seem weak, we will start with our own response, and the first step is that we will not negotiate with the IMF our 1986 budget, our exchange rate policy, our interest rates, or the amount of money we will pay on the foreign debt. Peruvian economic sovereignty must recover, and I say that on 28 July it started recovering, as requested by the people who voted for this. [applause]

IU Leader Supports Government

PY221714 Lima Radio del Pacifico in Spanish 1700 GMT 21 Aug 85

[Text] Yesterday, Lima Mayor Alfonso Barrantes Lingan, president of the United Left Party [IU], stated that the IU will give its full support to the present administration if there are threats of economic sanction against our country as a result of decisions on economic matters. Barrantes pointed out that the Peruvian people should react in a united and nationalistic way when faced with this type of pressure. President Alan Garcia was standing beside Barrantes as the latter expressed his support for the government's decision to assign only 10 percent of the total value of the Peruvian exports to servicing the foreign debt.

From the economic, political, legal, and moral standpoints, the foreign debt is unpayable, the mayor said in a speech delivered at the Municipal Theater in Lima. In this respect, the mayor said, this debt was contracted in an antidemocratic way, because none of the previous governments consulted the people on the necessity or advisability of signing loan agreements. Later, he explained that it is totally impossible for the Peruvian people to pay the debt. He added that if the government decided to pay the debt, each Peruvian worker would have to contribute over 540,000 soles monthly for a period of over 5 years.

The president of the Chamber of Deputies, Luis Negreiros, congressmen, university rectors, provincial mayors, and other national authorities were also present at the opening ceremony of the national conference on the foreign debt.

Prime Minister Concludes Conference

PY220130 Lima Televisora Lima in Spanish 0415 GMT 22 Aug 85

[Text] Prime Minister Alva Castro today said the American Popular Revolutionary Alliance Party administration has inherited an unpaid debt of $3.109 billion. This means, he said, that the new government has found that the present and future of Peru is mortgaged. Minister Alva Castro made these statements at the conclusion of the foreign debt conference. He also said Peru is obligated to pay a $5.575-billion debt in 1 year's time, but the country cannot possibly pay that amount.

The minister reiterated that Peru rejects IMF mediation. He proposed a 5-point plan to creditors and told them that the government is not afraid of the possibility that Peru might be rated as a high-risk country for credit purposes.

[Paris AFP in Spanish at 0413 GMT on 22 August reports: "The Peruvian Prime Minister and Economy Minister Luis Alva Castro tonight said that foreign debt negotiations should be carried out in Lima and not in the United States or in any other country, where they have been held in the past. He made these statements at the conclusion of the mayors conference on the foreign debt, and added that it is impossible to pay the debt in the manner it is negotiated."

In the same item, AFP also reports: "The minister reiterated that Peru will pay its debt with 10 percent of its income from exports, and it will request that the payment be made in nontraditional exports and manufactured goods."]

STATE BANKS SEPARATE FROM BANKING ASSOCIATION

PY222048 Lima Radio del Pacifico in Spanish 1300 GMT 22 Aug 85

[Text] The government yesterday released a communique saying that the state banks and the associated banks in which the state is the main shareholder will no longer belong to the banking association. This means that the state and its banks will be able to carry out any negotiation or agreement in a direct manner, according to the communique. In reply to a question, Prime Minister and Economy Minister Luis Alva Castro said that after consulting the financial and economy sectors, the decision was made by the banks themselves because they are autonomous.

SMALL BOMB DEACTIVATED IN LIMA CITY HALL

PY222020 Madrid EFE in Spanish 1911 GMT 22 Aug 85

[Text] Lima, 22 Aug (EFE) -- This morning police deactivated a small bomb that had been placed inside the city hall. The bomb was inside a thermos on the third floor of the building, located near the Lima parade ground. This is the second bomb discovered in the Lima City Hall in August. On 8 August, shortly before Lima was blacked out, police found a handbag with 40 dynamite sticks in the city hall's fourth floor.

ALLEGED ATTACKERS OF SAILORS AT BUS STOP ARRESTED

PY200258 Paris AFP in Spanish 2320 GMT 19 Aug 85

[Text] Lima, 19 Aug (AFP) -- The police today reported that nine alleged terrorists have been arrested, including three people suspected of participating in the machine-gunning of sailors on 15 August. These three members of the Shining Path Maoist group were captured in Huaral, 70 km north of Lima, the source specified.

During the attack on 60 Navy personnel awaiting a bus in a southern Lima neighborhood, two NCO's and one civilian Navy employee died, while five officers, two technicians and one cabin boy were wounded.

The other six prisoners belong to a Shining Path commando group that attacked Lagunas, a township in the Amazon jungle some 1,000 km northeast of Lima, in June of this year. On that occasion, five persons were killed. These six terrorists were arrested in Yurimaguas, a hamlet south of Lagunas.

POLICE IDENTIFY KILLERS OF THREE MARINES

PY210007 Lima Televisora Lima in Spanish 0400 GMT 20 Aug 85

[Text] The killers of three marines in Villa Maria del Triunfo last Friday, 16 August, have been identified by the Investigative Police of Peru [PIP]. They are Shining Path terrorists (Secretade) Santiago Castillo Cavero; Comrade Pedro or Antonio, who fired the shots; Nestor Fortunato Serpa Carpolini, Comrade Jorge; and (Cereda) Montano Freire, Comrade Julia. They all belong to a group operating under the name of Shining Path Annihilation Cell. According to the PIP, these criminals have made an attempt on the life of Dr Domingo Garcia Rada, and have killed six members of the police forces. The PIP has distributed their pictures throughout the country.

TRAFFICKERS SHOOT DOWN PLANE, GANG WAR PRESUMED

PY192354 Madrid EFE in Spanish 1615 GMT 19 Aug 85

[Text] Lima, 19 Aug (EFE) -- It was reported here today that drug traffickers hiding in the Amazon jungle have machine-gunned and downed a small plane carrying three people and 250 kg of cocaine. The event, which could indicate a war between narcotics gangs in the Peruvian jungle, took place when the plane was taking off from a clandestine landing strip on Tocache, an area known for intense drug-trafficking activities in San Martin Department, in northern Peru. Two of the people in the plane died in the crash while the third, a woman, escaped with a group of men, who doused the plane with gasoline and set it on fire.

According to the report the blows that are being dealt against drug trafficking in Peru have been worrying the traffickers, who fear there are traitors among them who are informing the police. This fear leads to clashes among themselves.

Another report indicated that a burned-out Civil Guard plane, which had been taking pictures of clandestine landing strips in the Amazon jungle, has been found. This discovery was made near the large landing strip in Callaru, which was part of the large drug production center the police raided last week near the border with Colombia. The crew of this plane managed to save themselves by parachuting out and were picked up by a seaplane, according to information supplied by the pro-government newspapers LA CRONICA and EL COMERCIO.

DRUG COMPLEX RAIDED, TRAFFICKERS ARRESTED

PY212116 Paris AFP in Spanish 1655 GMT 21 Aug 85

[Text] Lima, 21 Aug (AFP) -- The commander of the "Condor Operation" confirmed in Lima today that another drug-trafficking complex, the third in a week, has been discovered by the police in the Peruvian Amazon region near the border with Brazil and Colombia. Found in the underground installation were 1,500 kg of cocaine base paste (PBC), cocaine-processing equipment, generators, and other materials. The installations are located in Caballococha, some 2,200 km northeast of Lima. Deputy Interior Minister Agustin Mantilla announced that Colombian and U.S. police cooperated in the action and a request would be made for Brazilian police cooperation. He added that this is the largest laboratory ever discovered and it was almost ready to start operating. The "Condor Operation" began a week ago when an airstrip was raided in the Callaru area. The airport had hangars, underground strongholds, 5 airplanes, 100 kg of pure cocaine, and 3,000 kg of cocaine base paste.

Early this week, police raided another clandestine laboratory near Callaru, seizing 100 kg of coaine and 3,200 kg of cocaine base paste. The authorities involved in the anti-drug operation have stated that they intend to raid some 110 clandestine airstrips built by drug traffickers in the Peruvian jungle area to transport the cocaine to Colombia and the United States.

In the meantime, the Lima police last Tuesday arrested two Peruvian citizens when they tried to board a Venezuelan Airlines [VIASA] airliner to take 1 kg of pure cocaine worth some $130 million to Italy. The drug was concealed in the false bottom of a briefcase. The drug traffickers were identified as Julio Francisco Tijero, 51, and Carlos Castro Chaves, 27. Tijero is a well-known Peruvian playboy who married U.S. actress Margaret O'Brian in Hollywood in 1973. They are now divorced. In the 1960's, Tijero had a love affair with the famous actress Ava Gardner.

GOVERNMENT SUSPENDS DIALOGUE BECAUSE OF STRIKES

PY222346 Paris AFP in Spanish 1528 GMT 21 Aug 85

[Text] Montevideo, 21 Aug (AFP) -- The Uruguayan Government has suspended its dialogue with opposition political parties, labor unions, and businessmen in view of the tense atmosphere caused by the strikes currently being staged by several state organizations. This decision was announced last night by official spokesmen after a meeting of the parties involved. The decision was prompted by the qualitative changes in these conflicts and by the need for a pause to reflect. The dialogue was begun several weeks ago to seek agreement to allow the country to emerge from the socioeconomic crisis it is confronting.

According to official sources, the decision was made because of some measures adopted by state enterprise workers, in which they took advantage of the strike to assume extraordinary powers. Explaining the government's position, Labor and Social Security Minister Hugo Fernando Faingold said it did not expect the conflicts to end but to develop normally.

For the time being, railway and customs workers are on indefinite strike and the education sector and other public offices are on a partial strike.

CHIARINO DENIES DISSATISFACTION WITHIN MILITARY

PY230352 Montevideo Radio Carve in Spanish 0000 GMT 23 Aug 85

[Excerpt] Defense Minister Dr Juan Vicente Chiarino has said there is goodwill within the Armed Forces and that this will prevent any dissatisfaction. After meeting with President Julio Mario Sanguinetti, the minister announced that he will resume his duties next week.

[Begin recording] [Reporter] Mr Minister, several things happened within the Armed Forces while you were absent from the ministry. What is your opinion about them and about the relations between the government and the Armed Forces?

[Chiarino] The information I have has been provided by Under Secretary Dr Robaina and his closest advisers Dr (Brandsen) and Colonel Silva. Based on this information, I can say there has been neither division nor uneasiness in the relations with the Armed Forces. Quite the contrary. The budget is now being discussed and this is a complex and controversial issue. It is normal that military commanders should ask that the Armed Forces' vital needs be taken into account. I am not talking about new purchases or about the maintenance of some excess items [word indistinct] cannot be maintained. The Armed Forces' vital needs include replacement parts, fuel for some absolutely essential tasks, and other items. Therefore, the commanders' position on these matters is, I would say, not demanding but a bit inflexible. At the same time, we, the people within the Ministry of Defense, are trying to explain to the officials in charge of financial affairs that our budget is not as large as all of us would like it to be. [end recording]

PRISON WARDEN CONFESSES IN POSADA ESCAPE CASE

PA221516 Caracas Television Service in Spanish 0000 GMT 21 Aug 85

[Text] Justice Minister Jose Manzo Gonzalez reported today in a press conference that Andres Jose Arana Mendez, warden of the San Juan de los Morros prison, has confessed that he was an accomplice in the escape of Luis Posada Carriles, who was accused of helping to blow up a Cuban plane. The minister said that Andres Arana Mendez admitted that for the past 2 months he had not been complying with the maximum security instructions for Posada Carriles, who was in a special cell, and that he had been receiving 200 bolivares a day from the fugitive; that is, 12,000 bolivares so far. The total amount was to be 400,000 bolivares once the escape had been carried out. As for the origin of this money, Posada Carriles was reportedly to have obtained it by selling a house he owned in Caracas.

[Begin Manzao Gonzalez recording] Arana Mendez said he had reached an agreement with Posada Carriles that the escape would be carried out between 1930-2000 and 0030. [end recording]

As for the tools found in the cell, and the fact that a screen and an iron bar were cut, Andres Arana admitted that they were trying to throw off the investigators. The prison warden said that Posada Carriles told him that once he had escaped from the prison, friends would immediately take him out of the country. In this regard, Arana Mendez admitted that soon after the escape he received a telephone call from a man called Simon, who assured him that the plan had been carried out.

[Begin Manzo Gonzalez recording] Exhaustive investigations will continue to identify other accomplices. [end recording]

Moreover, the various security and police agencies will continue the investigations to find the fugitive.

In addition to Jose Arana Mendez, the Judicial Technical Police [PTJ] arrested Samuel Mendez Lozada, also presumed an accomplice in the Posada Carriles escape. During the official search at the place where these two officials were arrested, 150,000 bolivares were confiscated from Arana Mendez and 92,000 bolivares from Mendez Lozada. A Cuban couple who visited Posada Carriles regularly at San Juan de los Morros prison were reportedly also arrested.

The investigation of the Posada Carriles escape will be linked to the case of the Cuban plane, Judge Maria Delia Roldan announced today. Judge Roldan is in charge of investigating the escape attempt by Posada in November 1984 when he was imprisoned at La Planta.

Here in Caracas, judicial circles think that all cases related to Posada Carriles should be linked, according to Dr Maria Delia Roldan of the Fifth Court of Investigations. Today she reopened the investigation of the attempted escape of Posada Carriles and Hernan Ricardo on 4 November 1984 at La Planta prison. Prisons Director Dunia Farias and General Gustavo Medina Garcia changed the personnel on duty at La Planta prison on that occasion to prevent a new escape attempt by Orlando Bosch, the only remaining defendent in the case of the Cuban plane still in the prison. Judge Maria Delia Roldan said today that she had instructed the PTJ police in El Paraiso to submit a report on their actions in the 4 November attempted escape.

[Begin Roldan recording] At the time the investigation was opened, it was unofficially decided that the personnel on duty at the La Planta prison should be changed and some dismissed; however, the court was not informed of this. The same measure was applied to the National Guard members. Since that was entrusted to the judge in charge of the Cuban plane case, the logical thing is for that judge to continue the investigations. [end recording]

In view of this, Jose Arana Mendez, warden of San Juan de los Morros prison, will eventually be tried in Caracas.

DELEGATION HAILS MOSCOW YOUTH FESTIVAL

PA211639 Caracas EL NACIONAL in Spanish 9 Aug 85 p 5

[Excerpts] The Venezuelan delegation that attended the 12th Youth and Students Festival in Moscow has issued a statement in which it expresses its happiness in having participated in the event "in which the topics that concern the modern world were discussed in an open and pluralistic manner."

"We feel great emotion in sharing with more than 60,000 youths the hope of building a better world."

In a press conference that harshly criticized the conduct of Movement Toward Socialism [MAS] Deputy Carlos Tablante and his claim that he was expelled from the USSR, the delegates expressed thanks for the open manner that the debates and exchanges of views on current international issues were held. They said the objectives of the festival were fulfilled and that they hope the festival movement will expand.

The Tablante case was the main topic in the press conference held by the delegates who in various ways denied that Tablante was expelled or mistreated in Moscow. Instead they said that "he was treated very well by the Soviet authorities and everything was the result of a plan that he had prepared to gain international notoriety with a spectacle that failed."

The MAS delegation issued a statement in which it viewed the exchange of ideas and experiences with youths of the world a positive "although we regret that the festival was held in a country in which the freedom of citizens and political rights are violated.

BRIEFS

FINNISH, ISRAELI ENVOYS END TOURS -- Erkki Kivimaki, Finnish ambassador to Venezuela, bid farewell to Foreign Minister Simon Alberto Consalvi after ending his doplomatic tour to Venezuela. [Summary] [Caracas EL UNIVERSAL in Spanish 1 Aug 85 p 2-21 PA] Ya'aqov Cohen, Israeli ambassador to Venezuela for the past 4 years, ends his diplomatic tour and will leave for Japan, where he has been appointed ambassador by the Israeli Government. [Summary] [Caracas EL UNIVERSAL in Spanish 1 Aug 85 p 2-21 PA]

GOVERNMENT ANNOUNCES PLANS TO RENEGOTIATE DEBT

FL221805 Mexico City NOTIMEX in Spanish 0123 GMT 22 Aug 85

[Text] Mexico City, 21 Aug (NOTIMEX) — In New York on 29 August, the Mexican Government will sign agreements renegotiating an extension of its $20.1 billion public debt to 14 years, which will allow a savings of $5 billion in foreign currency.

The Finance and Public Credit Secretariat, SHCP, reported that Jesus Silva Herzog, the head of that office, will travel to New York City to sign the agreements with approximately 630 banks in 42 countries.

This will be the culmination of 3 years of negotiations by the Mexican Government to restructure 41 percent of its public debt, whose capital expiration was originally set for between 1985 and 1990. The total public debt and that of 52 state businesses amounts to $48.7 billion, of which $28.6 billion was restructured on 29 March.

The Secretariat said the newly renegotiated payment terms of the debt will be extended over 14 years and will grow in relation to Mexico's economy. They added that the total amount will be reduced in the next 3 years.

Referring to the interest, the Secretariat said important advantages were obtained that would permit the savings of $5 billion over the 14 years of the agreement. The use of administrative rates, such as the prime rate, was eliminated, allowing for the use of basic rates that would be less burdensome. The average differentials paid on basic rates in the past were also reduced, and the renegotiation commissions to creditor banks were eliminated.

The signing of the agreement marks the end of an era that began 20 August 1982 when Mexico informed its creditors that it could not make regular payments on its foreign debt. With the signing of the agreements, Mexico is the first country to complete multiannual negotiations of its debts.

It was pointed out that this begins a new era in which uncertainty in the future is eliminated, and Mexico's financial relations with its creditors are normalized.

It is known that Argentina will sign an agreement on 27 August regarding the 1983 and 1984 due dates and others of the immediate future. Other Latin American countries will probably do the same in the next few months. The Secretariat stressed that in all cases the format for restructuring the Latin American debt is based on what has been established by the Mexican negotiations.

SEPULVEDA ON AREA INTEGRATION, CONTADORA PROCESS

FL220310 Mexico City NOTIMEX in Spanish 0120 GMT 22 Aug 85

[Text] Mexico City, 21 Aug (NOTIMEX) — The democratic governments of Latin America have made a political decision to integrate to find joint solutions with a primary Latin American basis to the problem of the foreign debt and the Central American crisis, Mexican Foreign Secretary Bernardo Sepulveda Amor said today. At a press conference with foreign journalists accredited in Mexico, the foreign relations secretary said the meeting this Friday between the four Contadora Group foreign ministers and the four foreign ministers of the so-called Lima group reflects a political decision of the greatest transcedance. He spoke of a rebirth of pan-Americanism, saying that this historic moment is especially propitious for achieving Latin American integration.

He said that although a continuous effort is required, circumstances favor the search for Latin American solutions — both economic and political -- that will bring a superior capacity for action.

He said that although such integration plans as the Latin American Free Trade Association did not work out, this does not invalidate the periodic renewal of attempts to achieve integration. He added that there is political agreement among democratic governments with a sense of Latin Americanism that facilitates the search for solutions based on hemispheric integration. This is not a task to be completed immediately. It is a task of building the political and economic infrastructure that in the not too distant future will permit the integration of a greater number of societies, peoples, governments, and Latin American political economies, he said, explaining that this would not be antagonistic to other projects.

Referring to the area's economic crisis, he said it demands concerted answers from the Latin American governments. Regarding Central America, he said it is clearly necessary to guarantee a system of vigilance, cooperation, and peace that will not be broken to the detriment of essential Latin American interests.

He said that the meeting of the Lima group, made up of Uruguay, Peru, Brazil, and Argentina, with the Contadora Group is related to Latin American concern over maintaining a security system in Central America and to the possible disruption of that system, which would affect vital Latin American interests. He added that the meeting does not represent a romantic aspiration, but rather responds to the risk that a break in the institutional order would mean for the region.

In answer to a question, Sepulveda rejected the idea that the elimination or removal of the Sandinist government might be necessary to achieve peace in Central America. It seems foolish to me to suppose that the problems of Central America can be solved by removing legitimately constituted governments, he said.

He said the most serious problem confronting the Contadora Group is the hardening of the positions of the parties involved and their inability to reach political compromise or make concessions in order to reach an understanding in the area.

In 1985 we have observed a tendency towards rigid proposals and an unwillingness to make concessions that would lead to a compromise between the parties. That rigidity means that the atmosphere becomes unfavorable to negotiations and that secondary considerations become magnified into matters that are supposedly of vital interest, all of which distracts attention from the main problem, he said.

Finally, he said that in his recent meeting with U.S. Attorney General Edwin Meese, he remarked that drug trafficking must be combated on a binational scale.

Departs for Colombia

PA222344 Mexico City XHDF Television Network in Spanish 1955 GMT 22 Aug 85

[Report by Victor Calderon in Mexico City -- recorded]

[Text] Mexican Foreign Secretary Bernardo Sepulveda has departed for Cartagena, Colombia, where a new attempt to promote peace in Central America will begin tomorrow. The Contadora Group's new meeting will include an important element: The foreign ministers of the so-called support group -- comprised of Argentina, Brazil, Peru, and Uruguay -- will participate in the meeting.

Colombian Foreign Minister Augusto Ramirez said today that during the meeting they will seek mechanisms to eliminate the tension that has arisen following border incidents, particularly between Nicaragua and Costa Rica. It is appropriate to mention that on 14 August the Mexican Foreign Secretariat said officially that this new meeting would be held given the grave situation prevailing in the zone, which endangers regional peace.

In addition, today the Argentine foreign minister refuted information published by that country's news media which said that the government would propose the creation of a military force to control the border between Nicaragua and Costa Rica which would exclude the United States. Increased violence has been reported in Nicaragua and El Salvador. It has also been reported in Costa Rica that $1 million sent by the United States to outfit the Civil Guard is expected soon.

ARGENTINA'S MARTINEZ SUPPORTS DEBT PAYMENT

FL222352 Mexico City NOTIMEX in Spanish 2204 GMT 22 Aug 85

[Text] Mexico City 22 Aug (NOTIMEX) — Despite the economic crisis and the difficult situation, paths still exist that lead to liberty and democracy in Latin America, Argentine Vice President Victor Martinez said here today, en route to Korea.

In an interview at Mexico City international airport, the Argentine leader said liberty and democracy are basic to a respect for human liberty and to the drawing up of medium and long-range social and economic plans to resolve the region's financial problems.

He said the security of the Latin American nations is based fundamentally on the possibility for welfare and development, rather than on the arms race. He said we cannot forget that insecurity is the result of economic deterioration, which can produce serious social conflicts. We want to avoid this problem at any cost, he said; that is, we want to pay our foreign debts to the best of our ability by improving our balance of trade. We also have a responsibility to our peoples to assure the welfare, health, and real income of the Latin American working class, he said.

He later said the continent is going through a generalized crisis that has affected all our countries. We have much in common with the nations of the region in that the prices of the raw materials we produce have dropped. Nevertheless, it is my opinion that each of the governments of Latin America must face up to its debt payment obligations as a function of its own needs; for this reason a debtor nations' club cannot be proposed.

On another subject, Martinez said that the Cartegena meeting that begins tomorrow provides another opportunity to support the peace efforts of the Contadora Group, which is characterized by its struggle to find a diplomatic solution to the Central American conflict.

BRIEFS

NAVY JOINT STAFF CHIEF — Mexican President Miguel de la Madrid has appointed Vice Admiral Mauricio Scheleske Sanchez chief of the Navy Joint General Staff to replace Vice Admiral Hector Argudin Estrada. Vice Adm Scheleske Sanchez assumed office yesterday. Until the time of his appointment, he served as naval attache at the Mexican Embassy in Washington, D.C. [Summary] [Mexico City EL NACIONAL in Spanish 17 Aug 85 p 3 PA]

BELIZE

NO AGREEMENT REACHED WITH UK SUGAR COMPANY

FL221841 Bridgetown CANA in English 1628 GMT 22 Aug 85

[Text] Belmopan, Belize, Aug 22, CANA -- Belize's Prime Minister Manuel Esquivel says his talks in London last month with officials of British sugar company, Tate and Lyle, failed to encourage the company to make new investments in the local industry. Esquivel, in an interview with the CARIBBEAN NEWS AGENCY [CANA], indicated the company's position has clouded plans by an American firm for the conversion of a closed sugar factory into a methanol plant.

Howell Petroleum, a Houston-based company, was hoping to team up with Tate and Lyle in the project as a joint venture. The Libertad factory was closed last month, putting over 600 cane farmers and sugar workers out of work. Closure of the factory came after the Esquivel government failed to reach an agreement with Tate and Lyle to keep the factory going. The government, which took office last December, declined to go through with a deal entered into by the previous administration to take over 82 per cent of shares in the industry. The British company was the biggest shareholder.

Esquivel said government in the meantime had contacted the Shaffer Engineering Company of Louisiana to look at the feasibility of transferring sugar refining equipment at the Libertad factory to another factory in time for the next grinding season which begins in December. Government had also agreed with Tate and Lyle and the Belize Sugar Industries (BSI) to turn over 83 per cent of shares in the industry to a trust company on behalf of the remaining workers of BSI. The shares will be acquired by the workers and as time goes by, from whatever dividends may be declared from profits in the company in the future.

If by 1994 some of the shares remain unpaid for, they will be passed over to the workers. Tate and Lyle will retain management of the industry. Esquivel said Tate and Lyle will also make 1,000 acres of land, which they own in the Corozal District near the abandoned factory, available to sugar workers. They will be given five years to pay for the land and depending on the type of land, prices will range between 250 and 350 dollars (on Bel dollar: 49 cents U.S.) per acre. Lower paid workers will be given first option to purchase these lands.

Asked about a media report that cane farmers affected by the closure of the Libertad factory can sell their cane to a factory in neighbouring Mexico, Esquivel said such an arrangement would not be pratical. The Obregon factory will not commit themselves. They have only said that if toward the end of the season they need more cane they were willing to buy from us, he said. We cannot expect our farmers to plan on that sort of assurance.

COSTA RICA

GOVERNMENT DENOUNCES LATEST SANDINIST ATTACK

PA222010 Panama City ACAN in Spanish 1935 GMT 22 Aug 85

[By Juan Ramon Rojas]

[Text] San Jose, 22 Aug (ACAN-EFE) -- The Costa Rican Government has denounced a new attack by the Sandinist Army against a Civil Guard post in Boca de San Carlos, on the border with Nicaragua.

A government report issued today states that the attack from the Nicaraguan side took place yesterday at 1600 (2200 GMT). There were no casualties and no property damage.

The incident took place after three push-and-pull [preceding phrase in English] airplanes went 1 km into Costa Rican airspace to have suitable angle for firing at the rebel positions on the northern bank of the San Juan River, which serves as the border between Costa Rica and Nicaragua. Civil Guard troops fired at the Sandinist Air Force planes and the Nicaraguan Army responded to this fire from the Nicaraguan side, according to the official report.

This new incident supposedly will make less probable a bilateral dialogue between Costa Rica and Nicaragua. The purpose of the dialogue would be to ease the tense relations between the two nations. The dialogue was proposed 1 month ago in Panama City by the Contadora Group (composed of Panama, Colombia, Venezuela, and Mexico). This is the second attack denounced by the Costa Rican authorities in the past 2 weeks. Last week, a Civil Guard post in Conventillos, on the border with Nicaragua, in the northern Costa Rican Province of Guanacaste, was attacked. There were no casualties and no property damage on that occasion, either.

Foreign Minister Gutierrez disclosed today that the Contadora Group deputy foreign ministers suggested to him that a meeting of delegates of those countries be held prior to the installation of an inspection team at the border area, with the peacekeeping group in charge of it. The foreign minister reiterated that Costa Rica is opposed to any meeting with the Nicaraguan authorities as long as they provide no explanations for the deaths of two Costa Rican civil guardsmen on 31 May and the attack on a police post on 26 July at the Barra del Colorado area. The Contadora Group deputy foreign ministers toured the Central American countries 2 weeks ago and proposed to Costa Rica the installation of a team of observers at the border area, which has been the scene of constant incidents.

Gutierrez said that "in a way, they tried to get joint meetings held between Costa Rica and Nicaragua to discuss details of the inspection at the border, which we turned down. We stressed that there should be nothing more than coordination of the work to be done on both sides of the border by the Contadora inspection team," he said.

Foreign Ministry To Be Briefed

PA222000 San Jose Radio Impacto in Spanish 1830 GMT 22 Aug 85

[Text] Colonel Oscar Vidal, director general of the public force, is waiting for several reports on what occurred yesterday in Boca de San Carlos when three Sandinist Air Force planes flew over the national territory. There was a confrontation for approximately 2 minutes when the Civil Guard opened fire on the airplanes, and this was answered from the Nicaraguan side of the San Juan River. The push-and-pull [preceding phrase in English] airplanes apparently also attacked positions of the insurgents, but the rockets and bombs fell up to 200 meters away from the Civil Guard. The report on the incident will be presented by Col Vidal to the Foreign Ministry this afternoon.

ALLEGED NAZI WAR CRIMINAL KOZIY RELEASED

PA230144 Panama City ACAN in Spanish 0118 GMT 23 Aug 85

[Text] San Jose, 22 Aug (ACAN-EFE) -- Bohdan Koziy, the alleged Nazi war criminal, was released today after the Costa Rican Supreme Court declared that his detention was illegal, a security spokesman announced.

The source told ACAN-EFE that the release of Koziy, who was detained 2 days ago for the alleged presentation of forged documents to enter Costa Rica, took place after the Supreme Court of Justice held a meeting of all of its magistrates. The court notified the Immigration Office this afternoon of the order for the immediate release of the alleged Nazi war criminal, considering his detention was illegal.

Immigration authorities ordered Koziy's arrest on Tuesday arguing that he had presented forged documents to enter Costa Rica last October as a retired dentist.

FIVE CUBANS WITH FALSE PASSPORTS DETAINED

PA222322 San Jose Radio Reloj in Spanish 1200 GMT 22 Aug 85

[Text] Personnel of the Intelligence and Security Directorate [DIS] detained five Cuban nationals with false passports at San Jose's Juan Santamaria Airport yesterday. The foreigners, three men and two women, were placed under the orders of the Attorney General's Office. It has been several weeks since Cubans attempting to use false passports were stopped at that air terminal.

The DIS indicated that two of the detentions were made after the Cubans had boarded an Eastern Airlines flight about to take off for Miami, while the other three were exposed while still in the departure hall. The Cuban emigres were questioned to determine how they obtained the false documents. They were then taken to the Attorney General's Office.

CANDIDATE WANTS TO BREAK RELATIONS WITH NICARAGUA

PA221830 San Jose Radio Reloj in Spanish 1809 GMT 22 Aug 85

[Text] Oscar Aguilar, presidential candidate of the National Union Party, has said that in view of the new Sandinist attack against Costa Rican territory, which was confirmed by the Costa Rican Government, the country should break diplomatic relations with Nicaragua if only temporarily. He added that in view of this new Nicaraguan action, the time has come for the Costa Rican Government to abandon the attitude of indulgence or weakness that it has maintained to date. Oscar Aguilar explained that firmness does not mean aggression but that the country cannot continue to defend the national sovereignty with protest notes no one pays attention to. He added that to achieve a firm position in the respect for the national sovereignty and to go a step further than the simple withdrawal of the diplomatic mission, the government should break relations with the Nicaraguan Government for the time being.

EL SALVADOR

POLICE RAID, DISMANTLE 'CLANDESTINE' PRINTSHOP

PA222340 San Salvador LA PRENSA GRAFICA in Spanish 22 Aug 85 pp 2, 21

[Excerpt] A clandestine printshop that served as a front for the intelligence group of the People's Liberation Forces [FPL] has been dismantled by the national police. The Security Corps reported that the persons in charge of the shop were arrested. The printshop was operating in San Salvador under the name Impresos Columbia and served mainly to prepare false documents for the fighters and leaders of the FPL such as personal identification cards, tax documents, drivers licenses, Salvadoran Social Security identification cards, birth certificates, and even tax stamps.

When the national police raided the shop, they arrested Antonio Juvenal Calero Monge (Tito) and Marta Patricia Flores Diaz (Daisy), who were in charge of the printshop. He served as typesetter, while she was the secretary.

FMLN ENFORCES TRANSPORTATION STOPPAGE IN WEST

PA220424 (Clandestine) Radio Farabundo Marti in Spanish to El Salvador 2300 GMT 21 Aug 85

[Text] Attention, attention Salvadoran people. We are recieving reports on revolutionary military actions from the Feliciano Ama western front. We are taking the war to western El Salvador, the dictatorship's rearguard. We have conducted intense rebel activities throughout the Feliciano Ama western front in compliance with the FMLN General Command's order to ensure compliance with the national transportation stoppage. Attention, here are the details.

At 0530 on 19 August, rebel units sabotaged a trailer transporting cement to Zacatecoluca, a truck loaded with corn, and a trailer cab. Other rebel units sabotaged six transformers and distributed literature. These actions were staged on the Metapan-Santa Ana road in (Putumay Samul) canton. Also on 19 August rebel units entered Coatepeque and destroyed a power pylon and transformers. Literature was distributed among the city's inhabitants. On the same day rebel units entered the city of Tacachico where they set up two roadblocks, one on the San Pablo Tacachico-Santa Ana road and the other on the San Pablo Tacachico-San Juan Opico road. Mines were placed at the roadblocks. The enemy arrived at 0600 and sustained four casualties as it attempted to remove the roadblock. Another rebel unit entered [words indistinct] Las Delicias hamlet, west of Tacachico. The unit staged a harrassment attack and distributed literature to the people at the Talcualuya farm, Las Llaves canton, and the hamlets near [words indistinct] where roadblocks were erected near San Pablo Tacachico.

FMLN REPORTS 109 ARMY CASUALTIES IN 3 DAYS

PA220105 (Clandestine) Radio Venceremos in Spanish to El Salvador 0000 GMT 22 Aug 85

[Text] Attention, those interested in learning the extent to which the troops of the dictatorship have been worn down in the past 3 days of a national transportation stoppage and heavy blows on the electricity system throughout the country. Since Monday we have inflicted 109 casualties on the forces of the dictatorship, including an officer of the puppet Army, during 3 days of clashes. A total of 109 casualties in 3 days of fighting. A report on the casualties in 3 days by fronts follows: During 3 days of fighting on the Modesto Ramirez central front, we have inflicted 73 casualties on the enemy; on the Francisco Sanchez eastern front, 26 casualties; on the Anastasio Aquino paracentral front, 10 casualties. In all, a total of 109 casualties have been inflicted on the dictatorship in 3 days of fighting.

FMLN CLAIMS 71 ARMY CASUALTIES IN CHALATENANGO

PA220108 (Clandestine) Radio Farabundo Marti in Spanish to El Salvador 2300 GMT 21 Aug 85

[Text] In 3 days of fighting from 19 - 21 August, Sigfrido Ochoa's troops have sustained 71 casualties in the invincible Chalatenango Department, including 37 is clashes at El Barrancon, 6 near Tejutla, 8 in clashes on the road that links the Northern Trunk Highway with the city of Chalatenango, 4 near Ojos de Agua, 10 during an attack in El Zapotal, 3 in an ambush staged near Potonico, 1 enemy casualty sustained in a minefield in the El Amatillo-Las Vueltas area, and 2 on El Volcancillo Hill.

The Azmitia Battalion, the Cayaguanca Battalion of the 4th Infantry Brigade, and troops of Military Detachment No 1 are the enemy units that were hit. In addition, the 71 casualties include a lieutenant, a sergeant, and two corporals. We also destroyed two military trucks; one, an armored vehicle, was totally destroyed during clashes on the Northern Trunk Highway near (Los Manguitos).

FDR-FMLN LETTER TO EPISCOPAL CONFERENCE

PA200033 (Clandestine) Radio Venceremos in Spanish to El Salvador 0000 GMT 19 Aug 85

[FDR-FMLN letter to the Episcopal Conference of El Salvador, CEDES, dated 17 August]

[Text] To the bishops of the CEDES: In your recent pastoral letter of 8 August entitled "Reconciliation and Peace," the Episcopal Conference expresses a number of political and doctrinary opinions, and assumes a position on the dialogue between the government and our front. The FDR-FMLN, being an indispensable party in the conflict and, consequently, in the dialogue, wants to bring forth some of our considerations on this issue in harmony with the nature of the conference message.

1. As you are well aware, the FDR-FMLN position has been to find a political solution to the Salvadoran conflict through the dialogue-negotiation since 1971. Before the La Palma meeting, delegates from our front often met with members of the Episcopate to discuss initiatives that would lead to that objective. In October 1984, at the beginning of our front's negotiations with the government, it appeared that there would be a serious dialogue process. However, 8 months after the second meeting, four successive proposals by the FDR-FMLN to analyze the third meeting have been rejected by Mr Duarte. This has interrupted the dialogue.

2. The FDR-FMLN has insisted on the need to incorporate all sectors into the dialogue process. At La Palma, we recommended the creation of a national dialogue forum. In Ayagualo, we insisted on our proposal. However, the government of Mr Duarte has refused to accept the idea, claiming that such a forum would jeopardize his relations with sectors of the oligarchy. Now, it not only excludes the other forces from the dialogue, but aims to keep it from the people by insisting on holding the meetings outside the country, ignoring the agreements reached at La Palma and Ayagualo. Therefore, we consider the exhortation in your pastoral letter of bringing all sectors of the people into the dialogue as positive. We expect your active cooperation to achieve this.

3. The pastoral letter contains a doctrinary and theological aspect, and a political one. The theologic and doctrinary contents is earmarked in the just Christian aspiration to seek peace and conciliation, as you admit, overcoming the temptation to quit the dialogue. We interpret this aspect of the pastoral letter as a compromise with the aspiration of all Salvadorans who seek the path to a political solution.

4. However, in reference to the political aspects, we consider it our duty to express some general criticisms of the contents of the pastoral letter mentioned above, and on the role of the mediator in this dialogue process.

A) It attracts our attention that in a document dedicated to the war situation afflicting our country, the bishops should ignore the role the administration of President Reagan plays in the extension of the conflict, when it is evident to any Salvadoran or foreigner that it is the U.S. Government that is arming, training, and directing the national Army, and determining the policy followed by the government of Mr Duarte.

B) The pastoral letter limits the causes of the war to the inheritance of the past, giving the impression that social justice no longer exists in El Salvador. However, just read the reports of international economic organizations and you realize, among other things, that unemployment is increasing, the oligarchy has taken over $1 billion out of the country, and the anguished demands of the workers suffering the price increases is evidenced in reports in the daily papers, while the Duarte regime maintains low wages. Social justice is a reality in the country. The current government prefers to talk with the oligarchy and grant it large amounts of dollars without adopting positive measures to alleviate the people's hunger.

C) To state that our heritage has been compounded by international communism is but to repeat President Reagan's rationalization to continue sending more instruments of death against our people. We feel that in order to be able to contribute specific solutions to the current crisis, we must make a more realistic, serious analysis of the situation.

D) The analysis of the situation made by the pastoral letter is biased and ends by rationalizing Mr Duarte's government. The letter frowns on the FMLN's use of violence and sabotage while [word indistinct] the Duarte government's use of violence and terrorism. It would have been enough for the bishops to use their own sources; that is, the reports issued by the San Salvador Archbishopric's Legal Assistance Office, to learn that out of a total of 3,318 attacks on the lives of civilians in 1984, the government forces are held responsible for 3,252 attacks, while 39 such attacks are blamed on the FMLN. Namely, Mr Duarte's government is responsible for 97.3 percent of the attacks against civilians.

E) The bishops ignore the sabotages by the government forces which destroy the harvests, kill the few cows, and burn the huts of impoverished peasants. The Army perpetrates these actions daily. The difference lies in the fact that while the FMLN's sabotage is aimed against the harvests for export and government properties, the government's sabotage is aimed against the meager belongings of impoverished peasants. The FDR-FMLN's political trust in your role as mediator has been shaken. Our Fronts feel that the mediator must bear a major responsibility for the deficient, biased manner in which the dialogue process has been handled. Therefore, we feel the need to point out the following aspects:

a) Our Fronts placed their trust in Msgr Arturo Rivera y Damas as mediator. However, in reality there has been a change in duties as Msgr Rivera y Damas has been gradually delegating his central role as mediator to Msgr Gregorio Rosa Chavez. Our Fronts feel that this replacement has left the door open for biased stances and arguments in the implementation of the mediation.

b) The mediator has not fulfilled his duty of keeping a file for the proposals, agreements, and minutes of the meetings. This has been one of the factors that has granted the government a free reign to ignore or misrepresent the agreements. We must make special mention of this aspect with regard to guidelines for the special commission's operations. After 8 full months since adopting the agreement, the church must still submit an official text to each side for ratification. That gap has played into Duarte's hands, since the dates for the meeting are not agreed on following established guidelines. Instead, on each occasion the [government] tries to unilaterally impose conditions, subjecting the talks to a process of desintegration as a fruitless effort.

c) On all occasions, our Fronts have conveyed our proposals in writing to the Duarte regime. However, we have never received a single written communication from the government or from the church since the process of talks began. Once again, this omission provides the government with all possibilities to publicly and privately misrepresent its own actions as part of a propaganda ploy.

If each side had the other side's proposals in writing at all times, there would be no room for misrepresentations for propaganda purposes. Therefore, on 17 May the FDR-FMLN notified the church that henceforth we would not acknowledge any unwritten message or proposal.

d) Since the Ayagualo meeting on 30 November 1984, we have submitted four proposals on places, dates, and guidelines for a third meeting. For 8 months Duarte has flatly refused to hold the next meeting. Yet, the mediator never publicly chastised the government for being responsible for the talks' impasse. However, when it comes to us, the mediator asked us for understanding and patience.

On 5 August, based on false information, Msgr Rivera y Damas publicly blamed our Fronts for having prevented the holding of the latest meeting. Such a biased viewpoint is unjustifiable because our Fronts have always clearly conveyed their views and proposals on the talks to the church in writing. In our latest proposal dated 6 May, we agreed to hold a private meeting prior to the public meeting -- strictly in order to prepare for it -- and we proposed dates and places for the two meetings. At all times, we have stated that we disagree with Duarte's insistence on taking the dialogue outside our borders, thus warping it to turn it into a make-belive show at the service of the counterinsurgency strategy.

e) Msgr Rosas Chavez' statement to Channel 10 television station was also biased. He said the government felt that the place of the meeting was not what mattered, but whether we meet at all. In fact, everyone knows that the government has hampered the holding of the next meeting. If the government does not care about the location of the meetings, why hasn't it accepted the locations proposed by the FDR-FMLN? It is plain to see the government's demogogic handling [words indistinct] for propaganda purposes.

f) We are puzzled by Msgr Rosas Chavez' statement at an 8 August press conference that there already has been a (?tacit) agreement that the next public meeting is to deal with humanizing the conflict, when to date there has not been a meeting or an agreement on the meeting's central issue. This statement seems to concur with Napoleon Duarte's publicly stated views and those of former ambassador [name indistinct] who want to limit the talks to the issue of humanizing the war. This would mean prolonging the war within the framework of the counterinsurgency strategy. The dialogue would only serve to guide the actions of the warring sides and block a solution to the conflict. In this respect, we have stated that the dialogue's agenda connot be limited to the issue of humanizing the war. It must also include basic aspects that might lead to its end.

We wish to reaffirm the views we conveyed to you in our letter of 17 July noting that the humanization agreement will exist as long as there is a war, which is the central issue that must be discussed. Without a firmprocess of searching for an overall negotiated solution covering the factors that gave rise to the war and those that the conflict has given rise to, the partial objective of humanizing [the conflict] would be very limited.

g) The mediator has not observed a watchful, demanding stance on the government's compliance with the agreements. To cite an example, on 11 December we sent a letter to Msgr Rivera y Damas asking him to guarantee, under the terms of the Ayagualo agreement, the removal from the country of 11 FMLN members injured in war. The government refused to allow their departrue, and little or nothing was done to demand that the government comply. Meanwhile, on another issue, we continue to release soldiers taken prisoner.

h) The Catholic Church hierarchy takes sides by repeating the government's appeals to the workers that they must lower their demands.

By itself, this would not be serious; however, this appeal is based on the idea: You sacrifice, while the wealthy profit from that sacrifice. Let the poor who are repressed and murdered make the sacrifices.

To conclude, we want to comment on how the conflicting sides are depicted. You recognized Mr Duarte's government as legitimate based on elections, and question how representative the FDR-FMLN alliance is. Our views on the elections held in El Salvador are well-known. They were financed by a foreign government within the framework of a cruel war that has been raging for over 5 years, a state of siege, and the systematic repression of a popular movement; in sum, without the conditions necessary for a true democratic process of consulting the people. You should also be aware that the data issued in 1985 by the Central Electoral Council revealed that out of 3.5 million registered voters, there were less than 1 million valid ballots; that is, not even 40 percent of the electorate voted for the political parties and the Christian Democratic Party controls the Legislative Assembly without having obtained 20 percent of the votes. To call that a massive referendum does little service to democracy.

We do want to point out to the CEDES its lack of wisdom and prudence in uttering such judgments on the conflicting sides, especially after it charged one of its bishops, Msgr Rivera y Damas, with the responsibility of serving as mediator, as a witness to the talks between the conflicting sides. We believe that CEDES has the responsibility to preserve and reinforce the neutrality that the mediator must keep to gain the trust of the sides, and that this kind of political judgment does not contribute to it, but rather weakens the possibilities for talks.

The FDR-FMLN takes this opportunity to reaffirm to you our strong commitment to continue the talks until peace with justice and liberty for the Salvadoran people is reached. We have openly and clearly expressed our views to you, as we did in our previous letter, which we sent to you on the occasion of the CEDES recent meeting. In keeping with that spirit, last week we asked for an urgent meeting with Msgr Rivera y Damas in order to clarify certain views and find the ways and means to resume the talks the government interrupted. We hope that our ideas and views will contribute to expediting the spirit of the talks because we are certain that the commitment to a political solution with justice and liberty lives in the hearts of the people and its organizations, and in sum, the Salvadoran people who will make it a reality.

Sincerely,

[Signed] FDR Executive Committee, FMLN General Command

GUATEMALA

COMMENTARY CRITICIZES U.S. TERRORISM PROPOSAL

PA222137 Guatemala City Cadena de Emisoras Unidas in Spanish 2350 GMT 21 Aug 85

[Station commentary: "U.S.A. Manhandles Central America"]

[Text] Rightfully, the daily LA HORA recently headlined an article on its front page "U.S.A. Manhandles Central America." The article was datelined Washington and stated that the State Department has prepared a proposal for a regional program to fight terrorism in Guatemala, El Salvador, Honduras, Costa Rica, and Panama. One of the options of the proposals was the delivery of $28 million in military aid and another $26 million for police training. Another option contemplates the sum of $482 million, the exact amount Congress cut from Central American aid in the past 3 years.

Let's get things straight! The idea of granting such huge funds, presumably to fight terrorism, appears commendable because no sensible citizen likes to live in a climate of terror and violence. However, we must first define what the gentlemen in the North mean by terrorism because the issue lends itself to many interpretations. Then, there is the problem of sovereignty and self-determination. The Reagan administration, with its shortsighted view of Latin America's complex problems, continues to feel that Central America is its backyard and that Uncle Sam's blonde nephews can do as they please here. Therefore, without even bothering to consult our governments, the White House [words indistinct].

In this case we should say: You'd better not defend me, buddy. Donations, loans, and assistance always have strings attached such as malfeasance and dependence because -- as the saying goes -- the one who pays gives the orders. Accepting [words indistinct] to buildup of repressive forces would only enhance our state of dependency and turn us into simple pawns in a deadly geopolitical chess game.

HONDURAS

VISITING EEC GROUP DISCUSSES COOPERATION

PA230201 San Pedro Sula LA PRENSA in Spanish 21 Aug 85 p 5

[Text] Tegucigalpa -- Luigi Boselli, head of the EEC delegation for Latin America who visited Honduras yesterday during a tour of the area, said that "an explosion of peace" is about to occur in Central America. The EEC delegation, headed by Boselli, met with Honduran Acting Foreign Secretary Tomas Arita Valle. Later, they held a press conference. Boselli said that they are touring Central America to speed up negotiations toward a cooperation agreement between the EEC and the area countries. The accord was proposed in San Jose in September.

Boselli said: "The negotiations are quite advanced." He added that the delegation would meet today in Guatemala with the ad hoc group of the Central American countries on the accord that would be established in Luxembourg on 11 and 12 November. He stated that the ad hoc group met in Guatemala City on Monday. The important EEC official said that during their tour the delegation has met "not only flexibility but a political willingness" by the various governments for the accord. The agreement contemplates a political dialogue, actions to improve the area's economic situation, and the strengthening of the regional integration process.

Boselli pointed out: "The EEC advocates regional integration and wants to foster the revitalization of Central America's integration." He considered this integration "an important step toward peace." He stressed, however: "There is a substantial difference between this purpose and the conditioning of our assistance for this revitalization." He then added that the EEC has contributed $240 million to the region without any political conditions over the past 5 years. Boselli said that "one of the tour's most encouraging results is that there are positive, goodwill signs" to achieve peace in the region "despite difficulties." He continued: I believe "we are on the verge of an explosion of peace." He said that the delegation members have taken "positive messages" from all of the countries visited to the other nations.

The Italian born Boselli stressed: "Despite economic difficulties, we are now closer to an improvement in the peace climate in Central America." He asserted that the EEC has always felt that Central America's problems have social and economic roots in which foreign factors -- represented by world powers -- have prevailed. Boselli, who said that the solution lies with Central Americans themselves stressed: "There is no military remedy."

He added that the EEC's $84 million in aid for Nicaragua is greater than its $70 million in aid for Honduras because it has seen "better projects" in the former country. He said that the assistance for Honduras "has been properly channeled by the state organizations," and added: "We support every democratic government in Latin America."

ARMED FORCES CHIEF ON 'CONSPIRATORIAL MOVEMENT'

PA230048 Panama City ACAN in Spanish 2204 GMT 22 Aug 85

[By Armando Cerrato]

[Text] Tegucigalpa, 22 Aug (ACAN-EFE) -- General Walter Lopez Reyes, chief of the Honduran Armed Forces, today denounced the existence of "a conspiratorial movement" aimed at creating a division between the people and the Armed Forces. "It is my duty as chief of the Armed Forces to report that attempts have been made, either consciously or unconsciously, to create these divisions, and everything has been done to create an opportunity for sowing ill will and mistrust among us," the military officer said.

Lopez added that it is his duty to "reveal that there exists a conspiratorial movement aimed at sowing dissension among the democratic sectors, creating conflictive situations between the workers and peasants, promoting conflicts between the public and private sectors, and provoking antagonisms between the labor and student organizations and the government." The Honduran general also denounced that "efforts have been exerted to contact members of the Armed Forces to make dishonest and amoral proposals with the sole intention of altering social peace, destroying our democratic system based on the constitution, and breaking the solid structure of our armed institute." The general explained that "certain tendencies have been supported with the aim of dividing us all so that we forget the values that unite us as good Hondurans, disregarding our great responsibility to defend our homeland for which we want a better destiny."

Gen Lopez denoumced this situation during the commemoration of the 21st anniversary of the founding of the 2d Airborne Battalion (special tactical unit). The battalion is comprised of expert paratroopers. Its active reserves are currently being given further training in air assaults and jumping from various types of transportation aircraft. The military leader praised the battalion's effectiveness in answering an emergency call.

He said that the Army's solid unity and discipline "has made it possible to reject the conspiratorial divisionist proposals." "Those who think they will manage to treacherously infiltrate our armed corps; those who think they will lead us to a dishonorable adventure to satisfy the egos and ambitions of certain groups or persons; and those who propose radical, extremist, and antidemocratic measures are wrong," Lopez Reyes asserted. The military officer promised that "as Hondurans, and as soldiers, we will remain faithful to the Republic and its Constitution."

U.S. PRIEST DISCUSSES RECENT ARREST BY ARMY

PA222314 Tegucigalpa Voz de Honduras Network in Spanish 1745 GMT 21 Aug 85

[Press conference held by U.S. Jesuit priest John Donald with unidentified national and foreign correspondents in Tegucigalpa on 21st August; broadcast in progress -- recorded]

[Excerpts] [Donald] ...To Colon and what I propose is an account of the facts concerning my arrest and the treatment I received during the past 3 days.

The facts are as follows: On Sunday, 18 August, following a mass in the village of Sava, Colon Department, I was apprehended by two military officers in civilian dress and taken to a military post. When I arrived there, I was told that I was under arrest. However, no reasons were given, no charges were presented, and no arrest warrant was presented.

I was taken to the city of Olanchito in a rented vehicle and turned over to three military officers. We changed vehicles and traveled to Coyoles Central, to the 4th Infantry Battalion's command post. Without leaving the vehicle, we continued our trip to the U.S. military base in San Lorenzo where we arrived at midnight. We remained there approximately 1 hour. Then, two U.S. soldiers arrived in a jeep and took the three military officers and me to an unknown destination. The vehicle's driver was a U.S. soldier. In the U.S. Army vehicle we traveled toward the mountains to a village known as Macora, Jocon. We arrived at a camp where I was detained and interrogated for 3 hours from 0200 to 0500 or 0530. Then, I was held in isolation for 3 hours, until a helicopter arrived. Then, I was blindfolded, my head was covered with a hood made of some kind of waterproof material, and my hands were tied. We boarded this helicopter, left Macora, and arrived at what I understand is San Pedro Sula. Given the lack of oxygen under the hood, I felt very ill throughout the flight.

We arrived at San Pedro Sula, and I was taken to an interrogation room where two unidentified uniformed agents questioned me for 2 hours. The blindfold was removed during that time and at approximately 1300...[rephrases] I was threatened with torture without them specifying what kind of torture would be applied if I did not admit to the charges that I was a communist, that I was a Marxist, that I taught the Marxist doctrine to many peasant groups, and many other things. They had apparently been misled by misinformed persons or ill-willed individuals. All kinds of plots were prepared. I had no information regarding all of this and told them it was not true. The threats of torture were not carried out. At approximately 1300, I was taken to a plane, blindfolded, and my hands handcuffed behind my back. We boarded a military plane, a DC-3, and flew to Tegucigalpa -- a flight that I think lasted more than 1 hour. Once we arrived in Tegucigalpa, I was taken to a truck and placed face down in the rear. We went from the airport in Tegucigalpa to a nearby building -- apparently some kind of military installation. Beginning at 1500, I was interrogated all night and the next day by four or five individuals. During this time, 24 hours after being arrested, I was only given a glass of water and cup of coffee the next day. I did not eat anything during this time; I was unable to eat until 1 hour after I was released.

[Question] [Words indistinct] U.S. military officers?

[Donald] The only thing they did was cooperate with my transfer from the U.S. military base to Macora, Jocon. However, I was not interrogated by them. A U.S. military member took us to Macora, Jocon in a U.S. military vehicle.

[Question] Father, do you think that the instructions for your arrest were issued by Colonel Carlos Reyes Barahona, commander of the 4th Region, who argues that there are many communists in the Olanchito area and that they are struggling against the subversives? Can it be that you are being linked with them and the orders were issued by Reyes, since he is commander of the zone?

[Donald] During all of the interrogations, I was accused of being a communist, organizing subversive groups, and training guerrilla forces in the zone. Maybe these charges are related to that fact, but I cannot assert that the order was given by the commander or any other official in the country.

Certainly, I was in the hands of military officers from beginning to end. No other organization in the country was involved, only the national Army. Therefore, I believe... [rephrases] I was asked what is my alias in the guerrilla organization. I think their main concern was that I may be a guerrilla leader who trains peasants and teaches subversive doctrines in the country, precisely in this mountain sector in San Lorenzo, and in Olanchito municipality.

[Question] Why did the authorities arrest you if they had no evidence?

[Donald] I think that the evangelization and aid that the company of Jesus is giving to the Xicaque Indians in the Zapotal sector has provoked displeasure among many of the cattlemen. I know the two witnesses that were presented quite well; I know who they are. They accused me in front of the military officers using a series of falsehoods and lies in an attempt to discredit me. However, these lies can be easily [words indistinct] I think all this occurred because of the Jesuits' involvement with the Indians throughout Yoro Department.

[Question] We have another question: Can you give us the names of these individuals, these cattlemen from that sector?

[Donald] One of the two witnesses presented before me is Luis Rufino. He was the one who stated that he has known me since 1960, when I was not even in the country. All of this time I was studying in Mexico. I was not even a priest at the time. Luis Rufino asserted that he knew me, that he has seen me carrying weapons in the mountains, and that he has seen me hide weapons in caves.

The second witness, who did not state anything but who I knew was there because I heard his voice, was Gustavo Soto. He is a cattleman in the same sector where the Indians live. Consequently, these are the two witnesses who were presented. I was told there were more witnesses, but I did not recognize their voices or hear any personal accusations.

[Question] Father, I have two questions. First, you say that you will continue your pastoral work. Aren't you afraid that this kind of action will be repeated? Second, you are a U.S. citizen. Will you present a complaint before the U.S. Congress concerning the violation of your rights in this country?

[Donald] I have given the U.S. consul the authority to present a complaint, but I will not make one directly. I will only denounce this action in this press conference. In regard to my personal security, I feel that the priests and the nuns are not the ones who should be afraid, but the Honduran laymen who are committed to their church. I see that it is much more dangerous for them than for any priest who is currently in Honduras. I will continue to work in whatever area of the country to which I am appointed.

NICARAGUA

NATIONAL ASSEMBLY ON MEETING WITH COSTA RICANS

PA222022 Managua EL NUEVO DIARIO in Spanish 21 Aug 85 p 1

["Text" of statement by the National Assembly approving meeting with Costa Rican Assembly members -- capitalized passages published in boldface]

[Excerpt] The National Assembly of Nicaragua:

I. TAKING INTO CONSIDERATION the events that have been taking place in recent months between the traditionally sister Republics of Costa Rica and Nicaragua, which have resulted in difficult situations none of our peoples want.

II. AWARE of the pronouncement for peace and dialogue issued on 1 August by 22 of the honorable deputies of the Costa Rican Legislative Assembly voicing their concern over the warlike atmosphere and the worsening of tensions between the two countries.

Therefore:

I. WE REAFFIRM our conviction that the path to peace should be ensured through dialogue and negotiations.

II. WE WELCOME with great joy the pronouncement, and we share the concern as if it were ours.

III. WE RATIFY the invitation made by the Nicaraguan National Assembly president to the president of the Costa Rican Legislative Assembly to hold a meeting at a point along the border by the two presidents and their respective parliamentary delegations that would increase the efforts of both Assemblies so that the traditional peace and friendship between the two brother peoples not be disturbed.

IV. WE SUPPORT any future action that may serve to promote the rapprochement and the establishment of closer ties of friendship between the legislative assemblies of both countries.

Today, more than ever, we, the deputies of the two sister Republics must make ourselves worthy of the trust that the people, through their votes, have given us, supporting and promoting peaceful solutions to the problems existing in Central America.

Managua, 20 August 1985

"For peace, all united against aggression."

MEXICO'S SEPULVEDA ON CENTRAL AMERICAN DIALOGUE

PA222059 Managua Radio Sandino in Spanish 1200 GMT 22 Aug 85

[Text] Mexico has reiterated its opposition to the removal of legitimate governments in Central America as a solution for regional problems. Mexican Foreign Secretary Bernardo Sepulveda Amor said that his government does not believe the solution to the problems will result from the removal of governments, but rather through dialogue and negotiation. The diplomat answered questions regarding Washington's aim of toppling the Sandinists, stressing that the Nicaraguan Government must play a leading role in any regional peace effort. Sepulveda stressed that the most serious problem faced by the Contadora Group peace-making effort is the hardening of the sides directly involved in the conflict. He added that there is a tendency toward rigidity and an unwillingness to yield to terms that would lead to agreements between the sides.

DEFENSE MINISTRY REPORT ON 15-21 AUGUST CLASHES

PA230107 Managua EL NUEVO DIARIO in Spanish 22 Aug 85 pp 1, 10

[Text] The annihilation campaign against the mercenary forces continues to be successful.

Yesterday in different actions the contras suffered 80 new casualties in the northern and central sectors of the country.

The Defense Ministry report stated: A total of 80 casualties were inflicted on the counterrevolutionary forces, including 70 dead, 7 wounded, and 3 prisoners, as a result of the operations carried out by the Sandinist People's Army during from 15-21 August in 22 clashes in Chontales, Jinotega, and Matagalpa Departments.

On 15 August, a counterrevolutionary group attacked the region of Zanzibar, 14 km east of Santo Domingo, Chontales Department. This attack was immediately repelled by the Sandinist Army, inflicting 13 casualties on the mercenaries who could not carry out their objective. Our forces seized a G3 rifle, 20 cartridges for Chinese AK rifles. On the same day, our forces clashed with a counterrevolutionary group at Cano de Agua, 30 km east of Rio Blanco, Matagalpa Department, killing four contras.

On 16 August, our forces fought at Las Porras and Las Quebradas, 18 and 20 km north of Jinotega, respectively. In these actions, the enemy suffered four casualties.

On 17 August, the Sandinist Army clashed with a counterrevolutionary force at Cerro Grande, 15 km north of San Rafael del Norte. In this action, two contras were killed and four wounded. The Army seized four rifles, hand grenades, and a number of explosives. On the same day, a counterrevolutionary group attacked the Las Nubes sector, 21 km north of Jinotega. This attack was repelled by the local Sandinist People's Militias inflicting five casualties on the enemy forces.

On 18 August, troops of the Sandinist Army clashed with groups of Somozist mercenaries 14 km northeast of San Sebastian de Yali where four mercenaries were killed. On 19 August, our troops fought at Cerro Loma Azul, Cerro Grande, Cerro Helado, and Cerro La Estrella 13, 15, 17 and 19 km, respectively, northeast of San Rafael del Norte, Jinotega Department. In these actions, nine counterrevolutionaries, members of the "Diriangen" task force, were killed. On the same day, it was learned that the Sandinist Army clashed with counterrevolutionary forces at La Zopilota Hill, 9 km east of San Francisco del Norte, Esteli Department. In this action, our forces killed seven counterrevolutionaries. On 20 August, our forces engaged a group of Somozist mercenaries at Cerro Baule, 6 km east of San Rafael del Norte, Jinotega Department. Two contras belonging to the Jose Dolores Estrada Regional Command were killed in this action. On 21 August, a group of counterrevolutionaries ambushed an IFA truck, a bus, a van, and a station wagon in the sector of Rancho Alegre, 4 km east of Muham, Chontales Department. As result of this criminal action, one civilian was killed and four others wounded.

Managua, 21 August 1985

[Signed] Directorate of Public and International Relations, Ministry of Defense

INTERIOR MINISTRY AGENTS BREAK UP CONTRA PLOT

PA221730 Managua Domestic Service in Spanish 0300 GMT 22 Aug 85

[Report by correspondent Gustavo Bindel from Ocotal -- recorded]

[Text] Military sources from the First Region have announced that Interior Ministry forces have broken up a counterrevolutionary plot to assassinate local Sandinist leaders and to sabotage the Pueblo Nuevo Health Center.

The Interior Ministry fighters attacked mercenary positions in (Talagua), 15 km southeast of Pueblo Nuevo. The mercenaries' group commander, known as El Toro, and his second in command died in the clash.

Reynaldo Gonzalez Acevedo, another counterrevolutionary, was wounded and captured. The mercenaries had kidnapped two peasant women. One of them was abandoned after being raped. Francisca Rodriguez Rivera, the other woman, escaped when the Interior Ministry forces attacked. Reynaldo Gonzalez has reported that one of the mercenaries murdered a mentally retarded person, Maximiliano Calero, when he got in the way when the mercenaries of the Diriangen Regional Command were fleeing. This murder took place in El Carao.

90 CONTRAS SURRENDER TO AUTHORITIES IN WASLALA

PA230233 Managua Radio Sandino in Spanish 0000 GMT 23 Aug 85

[By Danila Laguna]

[Text] Proof of the demoralization affecting the mercenary forces is the continued massive desertions in the mountains of the Sixth Region. An example of this is the surrender of approximately 90 counterrevolutionaries during the past 3 months in the Waslala region, according to Ernest Matos, Interior Ministry representative in the region. He revealed that one of these counterrevolutionaries is Alberto Mayorga, 19, who was assigned to ambush Msgr Schalefer last March. Since Mayorga surrendered to the authorities, he has been working with the peasants who knew him when he was a member of the counterrevolution in the area so they may see proof that the revolutionary authorities respect the lives of those who surrender, and offer them the opportunity to return to the task of helping to rebuild the new society. Other contras who accepted the amnesty offered by the revolutionary government throughout the country are Nubia (Bourgeon), known as the mate of (Caliman) of the so-called Andres Castro Commando Unit; Pablo Leyton, alias Topo Gigio; Victor Leyton; Santos Blanco; and others.

99 EPS MEMBERS REPORTEDLY DESERT, JOIN FDN

PA230151 San Jose Radio Impacto in Spanish 1830 GMT 22 Aug 85

[Text] Ninety-nine members of the Sandinist People's Army [EPS] deserted on 16 August. They were members of Infantry Battalion No 96-97. According to the latest reports received a few minutes ago, the deserters left with all of their equipment. They have joined the Nicaraguan Democratic Force [FDN] on Gigante Hill, in northern Nicaragua. The commanders in charge of Battalion 99 [as heard], which deserted, are Jose Luis Vivas Romero and Anibal Danilo Cuaresma Perez. This information was obtained here in San Jose.

SOCIALIST INTERNATIONAL VICE PRESIDENT ARRIVES

PA221718 Managua Radio Sandino in Spanish 1200 GMT 22 Aug 85

[Text] Socialist International Vice President Joop Den Uyl arrived in Nicaragua last night to meet with various national sectors. Present at the airport to welcome him were Deputy Foreign Minister Nora Astorga, and FSLN department of international affairs officials. Mr Den Uyl, leader of the Netherlands Labor Party, will be in Nicaragua for 12 days during which he will meet with members of the FSLN, opposition political parties, and the Catholic Church, among others.

The Socialist International vice president is an active member of the Committee of European Legislators and Politicians which supports Nicaragua. He is also the current president of the Confederation of Socialist Parties in the European Community.

Meets Opposition Leaders

PA222334 Managua Radio Sandino in Spanish 1930 GMT 22 Aug 85

[Text] Joop Den Uyl, vice president of the Socialist International, stated today after meeting with leaders of the right-wing Nicaraguan Democratic Coordinating Board [CDN] that he opposes all forms of pressure and blackmail imposed on Nicaragua by the United States.

Den Uyl, former prime minister of the Netherlands and current secretary general of his country's Labor Party, began a 3-day official visit -- its first phase -- in Nicaragua last night at the invitation of FSLN National Directorate members Tomas Borge and Bayardo Arce.

This morning Den Uyl met in private with CDN President Eduardo Rivas Gasteazoro of the Social Christian Party and leaders of the Higher Council of Private Enterprise [COSEP]. It was learned that during the meeting the opposition political leaders and businessmen briefed Den Uyl on their major problems with the Sandinist government. A source close to this newscast said that CDN President Rivas Gasteazoro told Den Uyl that the CDN member parties are a constant target of persecution by the state security bodies; that the communist, Marxist Sandinists are attempting to neutralize the CDN; and that the principles of political pluralism and a mixed economy are not practiced in Nicaragua. Rivas Gasteazoro said that there are no guarantees and no freedom of movement or expression in Nicaragua. He claimed that the counterrevolutionaries are defeating the Sandinist People's Army in what he described as a just struggle that enjoys widespread popular support.

For his part, the Socialist International vice president told the members of the local foreign press that he will ask several questions of the members of the Sandinist government and criticize various points of their administration. He pointed out, however, that he wants to familiarize himself with the Nicaraguan situation calmly and without outside pressures.

During his stay in Managua, Den Uyl will meet with Interior Minister Tomas Borge, with the deputy coordinator of the FSLN National Directorate's Executive Committee, and with officials of the government's economic sector. He also plans to meet with political leaders of various parties represented in the National Assembly, including those of the Democratic Conservative Party of Nicaragua, the Popular Social Christian Party, and the Independent Liberal Party. He will also meet with the directors of the opposition daily LA PRENSA.

RIVAS CRITICIZES SOCIALIST INTERNATIONAL SUPPORT

PA200114 Managua Radio Sandino in Spanish 1200 GMT 19 Aug 85

[Text] Luis Rivas Leiva, secretary general of the Nicaraguan Social Democratic Party, attacked the Socialist International yesterday for its support of the Nicaraguan revolutionary government. According to Rivas Leiva, the Socialist International has stated that the Sandinists have fulfilled the principles of a mixed economy, political pluralism, and nonalignment even though it knows that these are not being fulfilled in Nicaragua.

Rivas Leiva told foreign journalists in San Jose, Costa Rica, where he is participating in a seminar of Central American Social Democrats, that the political space in Nicaragua is increasingly limited and that the government uses the presence of his party to project the image of political pluralism, which is false because it is not the presence of a party that serves as a gauge for pluralism but the exercise of pluralism.

The leader of the Democratic Coordinating Board complained that the FSLN refuses to hold an internal dialogue because it belittles the importance of the opposition. He also announced that the meeting's final document will criticize the Contadora Group and support the Costa Rican Government in its disagreement with Nicaragua. In his usual biased manner, Rivas Leiva did not explain what kind of political pluralism exists in Nicaragua or the reasons why the Coordinating Board groups did not participate in the November 1984 elections.

PPSC'S DIAZ ON PSC RESPONSE TO TALKS INVITATION

PA220050 Managua Radio Sandino in Spanish 1930 GMT 21 Aug 85

[Text] Today Popular Social Christian Party [PPSC] leader Mauricio Diaz described the fact that the parties of the Ramiro Sacasa Guerrero Democratic Coordinating Board did not participate in the elections as a political mistake. He added, that the fact that the parties did not heed the National Assembly's invitation to discuss the contents of the future constitution is a political aberration.

Discussing the recently published Social Christian Party [PSC] statements that there is no political pluralism or freedom of the press in Nicaragua, Diaz said that the parties that refrained from participating in the elections should take into consideration that Nicaragua's juridical institutionalization process is just beginning and that this is precisely why these parties should present their views on political pluralism to the constitution commission that their opinions can be taken into consideration.

[Begin Diaz recording] As a political organization, we fulfill our historical responsibility. As we pointed out in a document and as we have reasserted, we feel that the juridical and democratic institutionalization process has just begun in Nicaragua. This is a beginning, a starting point, not a goal. I want to repeat this.

In Latin America, particularly in South America, some governments have been forcefully replaced by military dictatorships, thus harming democracy in those countries. The opposite is true in Nicaragua. We have left behind 150 years of nefarious political history, including the nearly half century of Somozist dictatorship. As political parties, it is up to us to initiate juridical and democratic institutionalization through the Sandinist revolution. The political organizations that have committed the historical, gross mistake of not participating in the elections and refraining from discussing problems so important for the nation -- not for the parties because this does not benefit the parties but the people -- will probably have to repent for their decisions.

Our attention has been particularly drawn to the behavior of our former fellow party members, those from the Coordinating Board's PSC, who lost the historical opportunity to participate in the elections. We understand that some of their rank and file disagreed with this decision.

The leader of these parties still continues, as someone said at the Assembly, to turn a political mistake into a political aberration. Their political mistake of not participating in the elections and refraining from presenting their views regarding the future constitution will become a political aberration just like that. We are sorry for them. [end recording]

PPSC PRESENTS VIEWS ON NATIONAL CONSTITUTION

PA222217 Managua Radio Sandino in Spanish 1200 GMT 22 Aug 85

[Text] In fulfillment of its patriotic duties, the Popular Social Christian Party [PPSC] appeared before the special commission for constitutional affairs yesterday to present its views regarding the constitution. The views of the PPSC, the third party to present its bill on the future constitution, were read by Luis Humberto Guzman, who has been named the ideologist of that opposition party's political trend.

The PPSC believes that the constitution must establish a secular state without a political ideology, and create a National Planning Council. The party also demands that the constitution not be reformed until 10 years after its implementation, a one term president, religious education in public schools subject to parental choice, and the institutionalization of the Armed Forces without political definition.

The PPSC feels that the National Assembly should study and approve the national budget, decide on international treaties, reject or accept the suspension or restriction of citizens' rights and guarantees, and authorize the president's trips abroad. Finally, the PPSC supports the establishment of a government based on a mixed economy, political pluralism, and nonalignment, which are the basic principles of the constitution recently approved by the constitutional commission.

PLI PRESIDENT ON CONSTITUTIONAL CONSULTATIONS

PA222127 Managua Radio Noticias in Spanish 1200 GMT 22 Aug 85

[Interview with Dr Virgilio Godoy Reyes, president of the Independent Liberal Party, PLI by Antonio Luna Centeno, "The Awakening" newscast chief editor; place, date not given -- recorded]

[Text] [Luna] Dr Virgilio Godoy, this morning we would like you to voice your opinion on and analyze, to the extent possible, the national consultation. Thus far three political parties represented at the National Assembly have expressed their viewpoints and some have even presented draft political constitutions before the special constitutional commission. We would like to know how this will influence the strengthening of democracy in Nicaragua. In your opinion, what should the constitution be? Will the PLI also participate in these consultations?

[Godoy] That is a battery of questions. This is a complex topic, but I will try to satisfy the journalist's [words indistinct]. A consultation on the characteristics needed to (?consolidate) the constitution is a valid effort. However, in our country this issue has a different outlook. First, in the past we have had various kinds of consultations and in the end, the government held its own consultations, a (self-consultation) and made decision accordingly. Fore example, and this did not take place long ago, no one ever knew the final results of the national consultation on education. However, an offical communique was issued [words indistinct] to annouce the new education outlines. We do not know whether the national consultation was taken into consideration; we do not know what happended. A similar process, which was implemented during the latter part of 1983 regarding the design and content of the electoral law yielded the same result. Political parties paraded about and presented their documents. In the end, just as happened during the consultations on education, the official criteria were imposed. We could mention other things as well. We could talk about many ways to draft the most beautiful constitution in the world. However, if that constitution is not respected, then we will have been working at a theoretic, romantic, and naive level.

Many aspects covered during the presentations by at least two political parties who have already participated in the consultations are included in the fundamental statute and in the [words indistinct] of all Nicaraguans. They are included in the law on protection, in the law on the protection of personal security. However, this juridical structure has been left in the air due to a [word indistinct] mechanism. On the one hand there is a decree establishing a state of emergency that suspends everything or almost everything, and on the other [words indistinct] that are so frequent in this government. Therefore, the main aspect that should be clarified is whether this government and its party really have a genuine political willingness to adjust itself to the wishes and aspirations of the Nicaraguan people and its political organizations. Otherwise, we would again fall into a ridiculous situation. We would present proposals, suggestions, studies, and so on, and in the end the government and its party would continue to do what they wish. This will only serve to protect a democratic image abroad that is [words indistict]. This government and its party have not worked for Nicaragua, but to please other countries. Most of the what is being done is earmarked for exportation.

The three aspects that I mentioned must be kept in mind. It irritates me to think that these consultations will be reduced to the officialist party's viewpoint. We do not think it is correct to only consider parties represented in the National Assembly; we think that parties involved in pre-parliamentary activities should also be taken into consideration. In addition, the officialist party should cease to manipulate these consultations as frequently as they do. The open town hall meetings are something else: an attempt to repeat the old method of bringing public employees to the public plaza to ask questions in keeping with slogans shouted by people positioned in strategic locations [words indistinct] and to those who are forced to react in keeping with the circumstances.

CASTRO MESSAGE GREETS RETURNING YOUTH DELEGATES

FL230104 Havana Television Service in Spanish 0000 GMT 23 Aug 85

[Text] Today the Cuban delgates that participated in thel2th World Youth and Students Festival arrived in Cuba. Happy, and with the satisfaction of having done their duty, the representatives of our youth were received by the people of Havana, who waited in the port of Havana from early morning to embrace their sons and daughters.

On the high sea, the delegates received with great emotion the message sent by Commander in Chief Fidel Castro. Carlos Lage, first secretary of the National Committee of the Union of Young Communists, read the message.

[Begin recording] I know you took advantage of every minute of your time and that sleep escaped from your eyes during those magnificent days of combat and happiness. In the name of the party leadership, I wnat to express our satisfaction for the mission you have carried out during these days of anti-imperialist solidarity, peace, and friendship. In your meeting with youth from all corners of the earth, you have carried high the banner of the revolution and given a new dimension to the campaign of our peoples to achieve the cancellation of the unpayable foreign debt and a new international order. [applause, rhythmic chanting] [end of recording]

ROJAS, DELEGATION MEET WITH GUYANESE PRESIDENT

FL221500 Havana Domestic Service in Spanish 1402 GMT 22 Aug 85

[Text] Guyana's President Desmond Hoyte has received in a formal audience a Cuban delegation headed by Ursinio Rojas, member of the Party Central Committee. The Guyanese president had a friendly chat with Ursinio Rojas on the occasion of the biennial congress of the People's National Congress Party being held in Georgetown since Sunday. Desmond Hoyte met with the Cuban delegation in his Sophia Convention Center office, where the party conference is being held. During the meeting, Guyanese head of state Desmond Hoyte and Central Committee member Ursinio Rojas discussed the need to continue strengthening bilateral ties between Cuba and Guyana.

MALMIERCA DISCUSSES TIES WITH JAPANESE OFFICIAL

FL221226 Havana Domestic Service in Spanish 1100 GMT 22 Aug 85

[Text] Cuban Foreign Relations Minister Isidoro Malmierca has met with Mitsuro Donawaki, general director of the Latin American-Caribbean Division of the Japanese Foreign Affairs Ministry. Among thetopics discussed in the meeting were bilateral relations, the Central American situation,and other themes of mutual international interest.

U.S. ANTISATELLITE TESTS DIRECTED AGAINST USSR

FL212208 Havana Domestic Service in Spanish 2130 GMT 21 Aug 85

[Station commentary]

[Text] The decision of the U.S. Government to test an antisatellite laser-ray weapon constitutes an additional attempt by the Reagan administration to obtain a nuclear first-strike capability.

Larry Speakes, spokesman for the White House, has announced that in the next 15 days an antisatellite weapon will be tested for the first time against an abandoned U.S. satellite in a low orbit. The test is directed principally against the USSR because most of Moscow's early-warning satellites are in relatively low orbits of 1,000 miles or less, whereas U.S. satellites are placed in very high orbits about 20,000 miles above the surface of the earth.

CIA INVOLVEMENT HINTED IN ANTI-CASTROITE'S ESCAPE

Sabotaged Cuban Plane in 1976

PA200223 Havana International Service in Spanish 0020 GMT 20 Aug 85

[Text] Venezuelan press media agree that Luis Posada Carriles' escape could only have taken place with internal complicity and foreign support. Starting with the extreme security conditions in the prison, it is emphasized that there was complicity among the officials of the San Juan de Los Morros model prison, because it is difficult for anyone to escape from this prison, which is located in the capital of the Venezuelan State of Guarico.

The newspaper ULTIMAS NOTICIAS reported that government circles presume a large sum of money was distributed to obtain the release of Posada Carriles, who is also a former member of the U.S. CIA and a former adviser of Venezuelan security organizations. The paper states that Posada Carriles safely left the prison through the large doors and in all probability, he was assisted by individuals who waited outside for him. Deputy Radames Larrazabal has charged that the U.S. CIA must be involved.

The paper EL DIARIO DE CARACAS cites a very reliable source stating that the day before Luis Posada Carriles escaped, he was visited by four individuals. The publication added that it is not known why there was no guard near the door of his cell at the time of his escape.

Orlando Bosch, a counterrevolutionary of Cuban origin, and Venezuelans Freddy Lugo and Hernan Ricardo, are also implicated in the sabotage of the Cuban commercial liner in 1976, in addition to Posada Carriles. In that action members of the Cuban fencing team who were returning after competing in an international event were killed. According to the evidence available, the U.S. CIA was behind the financing and directing of the criminal sabotage.

Search Continues for Escapee

PA210415 Havana International Service in Spanish 0000 GMT 21 Aug 85

[Text] An official at the San Juan de los Morros prison admitted today that he helped counterrevolutionary of Cuban origin Luis Posada Carriles escape from prison. Posada Carriles had been in that jail for approximately 10 year, while awaiting a final sentence. He was one of the men involved in the sabotage that in 1976 destroyed a Cuban commercial plane, killing 73 persons.

Venezuelan Justice Minister Jose Manzo Gonzalez has said that Andres Jose Arana Mendez, the chief of the prison, is responsible for Posada Carriles' escape, and that he has admitted his crime. According to Arana Mendez, the fugitive had offered him $28,000 to help him escape, but the money was not in the place they had agreed upon.

Manzo Gonzalez said that the Venezuelan authorities are continuing the investigation to determine if there are other accomplices. He added that the vigilance at the border posts and airports has been redoubled, in an effort to apprehend the fugitive. However, the general commentary among journalistic sources and government spokesmen is that it is quite possible that Posada Carriles is no longer in Venezuela.

PINOCHET DENIES RUMORS OF MILITARY COUP

FL201845 Havana Television Service in Spanish 1139 GMT 20 Aug 85

[By Francisco Ramirez]

[Text] The Chilean dictator Augusto Pinochet has just denied rumors about a supposed military coup being prepared in his country. With Pinochet's characteristic prepotency, he told a group of journalists accompanying him on a tour through southern Chile: I am the only one here who can rebel.

These rumors took place last weekend and, according to a Chilean newspaper, they are related to the recent retirement of 5 generals, 14 colonels, and 7 lieutenant colonels. This unusual act was preceded by another deed no less unusual when an investigative civil judge linked 14 officials and other agents of the Carabineros, which is the principle agency responsible for Chile's repression, for the assassination and throat slashing of three militants of the Communist Party.

The rumors spreading through Chile's capital spoke of military insubordinations, discontent, and rebellion. The act of dismissing the generals preceded by the discovery that 14 officials were linked to the assassinations resulted in the resignation of Cesar Mendoza, military junta member and general director of the Carabineros. When this situation was revealed, there was great public response in the form of meetings and street demonstrations. The population protested these new abuses by the Carabineros.

True or not, the rumors of a military coup in Chile reflect an intense struggle among the repressive forces. As we said, the Carabineros are fundamentally responsible for repression. They have been strengthened recently with arms. At the same time, there are contradictions in the National Information Center [CNI] that is linked to the army.

Analysts indicated that the CNI, the sinister abbreviation for that repressive body, provided Investigative Judge Canovas data that implicated the 14 Carabineros in the assassinations. The Carabineros reacted indignantly feeling they had been betrayed by one of their high-ranking officials linked to Pinochet. It has been confirmed that the Chilean dictator, in response to this discontent, ordered the retirement of the generals and the high-ranking officials.

The contradictions manifested among the repressive bodies in Chile are related to the growing corruption, the economic and social crisis, and the illegal growth of the sectors linked to General Pinochet. They have not reached the division level, but they are serious contradictions that should be taken into account. In Chile -- despite the attempt to appear prosperous in the capital — an aggravated situation with a foreign debt exceeding $20 billion, growing unemployment, a high cost of living, and general suffering are factors causing the floor to cave in under Pinochet, who along with Paraguay's Stroessner and Haiti's Duvalier, constitute real blemishes on the continent, insults in the process of recovery of the democratic processes that have been observed in the past few months in the southern cone.

The social and economic crisis, a rupture in the heart of the military organizations, basically in the army which gets results for Pinochet, and at the same time the growing struggle of the Chilean people, without a doubt will continue to deteriorate the situation for the Chilean dictator. It would not be unusual for Pinochet to make these ostentatious declarations to journalists any longer.

PERUVIAN PRIME MINISTER VIEWS FOREIGN DEBT

PA222351 Havana International Service in Spanish 1600 GMT 22 Aug 85

[Text] Peruvian Prime Minister Luis Alva Castro said in Lima that it is impossible for his country to pay the foreign debt under the current terms and stressed that Peru is not afraid of possible retaliatory measures by its creditors. Alva Castro spoke during the closing session of a conference on foreign debt held in Lima. During the session, Public Health Minister David Quesada stated that moral strength is fundamental to confront the consequences derived from the nonpayment of the foreign debt. Quesada pointed out that it was moral strength that allowed the people of Vietnam to defeat U.S. imperialism and recalled that this example is still valid today in the struggle for our nation's economic recovery.

During the meeting, Cuzco Major Daniel Estrada said that if the current Peruvian Government decides not to pay the foreign debt, it would receive ample support from the people because 80 percent of the population does not live, but survives. He added that to pay the debt would mean a greater poverty.

Meanwhile, Ennio Rodriguez, Costa Rican minister for the foreign debt, stressed the need for a special meeting of small countries to evaluate the international economic situation.

HONDURAS RELEASES U.S. PRIEST AFTER QUESTIONING

PA220437 Havana International Service in Spanish 1600 GMT 21 Aug 85

[Text] The Honduran regime has been forced to release John Donald, a U.S. Catholic priest who was arrested on Sunday and accused of carrying out subversive activities from the pulpit. Donald, a Jesuit priest assigned to Tocoa, approximately 400 km north of Tegucigalpa, was released by the Honduran authorities as a result of a direct request by the country's committee for human rights which considered his detention on Sunday as arbitrary. The arrest of the U.S. priest on charges of opposing the growing U.S. military presence in Honduras again demonstrates the repressive measures imposed by the civil-military leadership that rules this Central American nation, and its considerable submission to Washington's orders.

It is no longer a secret that Honduras, one of the continent's most backward nations, is really a U.S. military base aimed at liberation movements in Central America and the Caribbean. At the same time, Honduras plays the role of sanctuary for the mercenary bands that try to break the Sandinist revolution in neighboring Nicaragua. Of course, Roberto Suazo Cordova and the Honduran high military command, with open Yankee support, cannot permit the slightest indication of disagreement with this situation. Hence, they do not hesitate to attack even a religious man and accuse him of criticizing the local authorities' submission and the Yankee interventionism from the pulpit.

This repression, which has been denounced by Honduran progressive sectors on numerous occasions, includes the disappearance of political, trade union, and student leaders, and the imprisonment of hundreds of patriots who oppose the submission of the regime and the local oligarchs. The degree of Yankee intervention in Honduras can also be determined by the fact that the priest was questioned by members of the U.S. intelligence service, although it was the Honduran repressive organizations that detained him.

The case of this priest, who probably will have to leave Honduras in a few days, must be added to Washington's chain of repressive actions against the Honduran people, who see their homeland trampled upon by a real occupation army.

JAMAICAN PRIME MINISTER CLOSES HOSPITALS

FL191816 Havana Television Service in Spanish 1700 GMT 19 Aug 85

[Excerpt] Combined with nutritional problems is the lack of medical attention intensified by a decrease of resources assigned to health programs. In Jamaica, Prime Minister Edward Seaga's government has closed more than 10 hospitals. The decision is the result of the state's lack of alternatives to provide funds for free medical assistance. Nevertheless, the international credit organizations are indifferent to the state of hunger and social necessities in Latin America and the Caribbean.

NEW 110,000 WATT SUB-POWER PLANT BEGINS OPERATIONS

FL221550 Havana Domestic Service in Spanish 1418 GMT 22 Aug 85

[Text] Pinar del Rio electric energy transmission and distribution enterprise workers have begun operating a 110,000 watt sub-power plant with a capacity of 12,200 kilowatts in Bahia Honda Municipality. The sub-power plant will provide a 236-mw-hour savings a year by decreasing the loss of lines with the increased voltage. The operation of the sub-power plant in Bahia Honda municipality in Pinar del Rio substitutes a 33,000-watt line which will now be used as reserve. Among the most important tasks the Pinar del Rio electric energy transmission and distibution enterprise brigade performs is the transfer of voltage, placement of circuit breakers, and high-tension cables.

BRIEFS

SPAIN TO BUILD MERCHANT SHIPS -- Eight merchant ships, each with a loading capacity of approximately 16,000 tons, are under various stages of construction in Spanish shipyards. It is expected the first one of these El Bahia de Manzanillo will sail under the Cuban flag by the end of November. [Text] [Havana Domestic Service in Spanish 1100 GMT 21 Aug 85 FL]

ARGENTINA

FOREIGN MINISTRY COMMUNIQUE ON AREA PEACE FORCE

PY221924 Buenos Aires TELAM in Spanish 1642 GMT 22 Aug 85

[Text] Buenos Aires, 22 Aug (TELAM) -- The Argentine Foreign Ministry today issued a communique stating that it regrets that a newspaper this morning published an erroneous report saying that Argentina intends to join a peace force for Nicaragua, without verifying the report beforehand with official sources. The communique states the following:

"The Foreign Ministry wishes to report that the news published this morning by a daily stating that there is an Argentine proposal to join a peace force for Nicaragua is untrue.

"The Foreign Ministry likewise regrets that such important news with forseeable consequences should have been published without previously verifying it with the official sources of this ministry."

The newspaper LA RAZON today reported that Argentine Foreign Minister Dante Caputo would discuss with the Cartagena Consensus a proposal regarding the formation of a common military force to cordon off the Nicaraguan borders. This force was allegedly to be made up of forces from the southern cone countries.

LA RAZON reports that the proposal would have a double purpose: to isolate Nicaragua and thereby prevent anti-Sandinist attacks, and to prevent Managua from sending weapons to the Salvadoran guerrillas.

GUYANA

HOYTE TELLS PNC FOREIGN POLICY WILL REMAIN SAME

FL221310 Bonaire Trans World Radio in English 1130 GMT 22 Aug 85

[Text] Guyana's ruling People's National Congress is continuing its biennial meeting. It has decided to intensify its ideological education programs at home. This point was included in a report by the People's National Congress general secretary who is one of the vice presidents. His report is being studied by a special committee appointed by delegates at the conference.

The country's new president, Desmond Hoyte, has told conference delegates that foreign policy will remain the same and Guyana will not be the satellite or surrogate of any country, big or small. The conference ends Sunday after elections for a new General Council of the ruling party.